

Kelso City Council Agenda

Regular Meeting, 6:00 pm
April 16, 2013
City Hall, Council Chambers
203 S. Pacific
Kelso, WA 98626



Special accommodations for the handicapped and hearing impaired are available by special arrangement through the City Clerk's Office at 360-423-0900

Invocation:

Captain Dave Davis, Salvation Army

Call to Order:

Roll Call to Council Members:

1. Approve Minutes:

1.1. April 2, 2013 – Regular Meeting

2. Proclamation:

- 2.1. 'Bike to Work Week'
- 2.2. 'Transportation Week'
- 2.3. 'Mental Health Month'
- 2.4. 'Crime Victim's Rights Week'

3. Presentation:

3.1. 2013 Community Development Annual Report

4. Public Hearings:

- 4.1. 2013 HOME Project Allocations/CHDO Request for Funding – Julie Hourclé
- 4.2. Kelso Six Year Transportation Improvement Plan Amendment

5. Consent Items:

- 5.1. Contract – Gibbs & Olson, Inc. Professional Services
- 5.2. Amendment – Airport Board Contract , Administration Services
- 5.3. Auditing of Accounts

6. Citizen Business:

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7. Council Business:

8. Action/Motion Items:

- 8.1. Resolution
 - 8.1.1. TIP Amendment

Other Items:

- City Manager Report
- Staff/Dept Head Reports
- Council Reports
- Other Business
- Executive Session

KELSO CITY COUNCIL
6:00 P.M.

April 2, 2013
REGULAR MEETING

Pastor Dave Davis, Salvation Army, gave the invocation. Mayor David Futcher led the flag salute. The Regular Meeting of the Kelso City Council was called to order by Mayor David Futcher. Councilmembers in attendance were: Futcher, Lefebvre, Archer, Myers, McDaniel, Roberson, and Schimmel.

Minutes: Upon motion by Councilmember Schimmel, seconded by Councilmember Lefebvre, 'Approve the 03/19/13 Regular Meeting,' motion carried, all voting yes.

PROCLAMATION:

Mayor Futcher read a proclamation declaring May 5th – 11th, 2013, as “**National Drinking Water Week**” in the City of Kelso. Public Works Director David Sypher accepted the proclamation.

PRESENTATION:

AWC Quality Community Scholarship Nominee: Mayor Futcher presented a letter of support to Mr. Michael Dyer who was selected as the City of Kelso's nominee for the 2013 AWC Center for Quality Communities Scholarship. Mr. Dyer thanked the City for the nomination.

CONSENT AGENDA:

1. **Contract:** The Wesley Group – Professional Services

Upon motion by Councilmember Roberson, seconded by Councilmember Schimmel, 'Approve the Consent Agenda,' motion carried, all voting yes.

CITIZEN BUSINESS:

Anthony Currera, 803 S. 6th Avenue, spoke of modifying the ordinance regarding leash laws.

Rick Von Rock, 400 N. 7th Avenue. 1) He inquired about the status of the visitor center. City Manager Steve Taylor gave a brief update on the visitor center. 2) He asked when construction will begin on the West Main Realignment Project. Community Development/Senior City Engineer Mike Kardas gave a brief update on the West Main Realignment Project. 3) He asked about the interlocal agreement with the county regarding the airport wetland mitigation design. Mayor Futcher referred Mr. Von Rock to the next Airport Board Meeting.

MOTION ITEMS:

Ordinance No. 13-3798 – SW 7th Avenue Street Vacation: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Lefebvre, seconded by Councilmember Roberson, 'Adopt Ordinance No. 13-3798, 'AN ORDINANCE OF THE CITY OF KELSO VACATING A PORTION OF 7TH AVENUE IN THE CITY OF KELSO TO ABUTTING PROPERTY OWNERS,' motion carried, all voting yes.

Kelso Comprehensive Plan Update Agreement: G.R. Dohrn & Associates Senior Planner Gregg Dohrn gave a presentation on the Comprehensive Plan Update. He commented that Kelso's Comprehensive Plan has not been updated since 1980 and is in need of a complete overhaul. Lengthy discussion followed. Upon motion by Councilmember Roberson, seconded by Councilmember McDaniel, 'Approve the Agreement with G.R. Dohrn & Associates for Comprehensive Planning Services,' motion carried, all voting yes.

Resolution No. 13-1085 – Surplus Police Vehicle: The Deputy Clerk read the proposed resolution by title only. Upon motion by Councilmember Lefebvre, seconded by Councilmember Myers, 'Pass Resolution No. 13-1085, 'A RESOLUTION OF THE CITY OF KELSO, WASHINGTON, DECLARING CERTAIN PERSONAL PROPERTY OF THE CITY OF KELSO TO BE SURPLUS AND DIRECTING THE DISPOSITION THEREOF.' Motion carried, all voting yes.

MANAGER'S REPORT:

Steve Taylor: 1) Presented the 2013 Home Fund Allocation Applications that were submitted by the City of Longview Program Coordinator Specialist Julie Hourclé. 2) Received confirmation from Council that everyone will be available for the whole 6 hours of the May 3, 2013, Council Retreat. It is scheduled at 10 a.m. to 4 p.m. The retreat will be held in the council chambers unless notified otherwise.

COUNCIL REPORTS:

Dan Myers: 1) Lower Columbia Community Action Plan Board has finished up their end of the year. 2) The search continues for the new director of the Cowlitz Wahkiakum Council of Governments.

Kim Lefebvre: No report.

Rick Roberson: No report.

Todd McDaniel: No report.

Gary Archer: No report.

Gary Schimmel: No report.

David Fletcher: No report.

There being no further business, Mayor Fletcher adjourned the meeting at 6:35 p.m.

MAYOR

CITY CLERK

PROCLAMATION

National Bike To Work Week May 27 - June 2, 2013

WHEREAS, Cowlitz on the Move is promoting National Bike to Work Week from May 27 to June 2, 2013 as part of their healthy lifestyles campaign – 'COWLITZ BIKES! To Work – To School – To Play; and

WHEREAS, the education of bicyclists and motorists as to the traffic laws pertaining to the use of bicycles, and to the proper and safe operation of bicycles including helmet use is important to ensure the safety and comfort of all users within the roadway environment; and

WHEREAS, this proclamation aims to motivate non-bicycle riders and those already cycling to get involved, raise awareness of cycling within our county, and promote a healthy, fun and inexpensive mode of transportation and to urge local employers to encourage bike riding, as more physically active employees are more alert, healthy and more productive; and

WHEREAS, we encourage all citizens to find their inner motivation and ride their bicycles to work, to school, to the store, to the park, around their neighborhoods and with friends and family to promote the personal and societal benefits achieved from bicycling.

NOW, THEREFORE, I, David Futcher, Mayor of the City of Kelso, do hereby proclaim the week of May 27, through June 2, 2013, as

"National Bike To Work Week"

in the City of Kelso, and call upon all commuters to participate by bicycling.

*In witness whereof, I have hereunto
set my hand and caused the seal of
the City of Kelso to be affixed this
16th day of April, 2013*

David Futcher, Mayor

PROCLAMATION

*National Transportation Week
May 12-18 2013*

WHEREAS, Kelso has a long history as a transportation provider since 1889; and

WHEREAS, Kelso owns 74 miles of streets and alleys and operates and maintains 4 bridges; and

WHEREAS, Transportation services provided in Kelso are an integral part of the everyday lives of its citizens, promoting clean, healthy neighborhoods and establishing vibrant communities; and

WHEREAS, The City's regional transportation infrastructure is essential in sustaining an economy which greatly impacts our livability, business, and commerce; and

WHEREAS, The importance and value of our nations' transportation system and those components built and maintained by Kelso including our city streets, bike and pedestrian facilities, culverts, rights-of-way, alleys, and bridges; and

WHEREAS, The quality and effectiveness of transportation projects and services enjoyed by citizens of Kelso are dependent upon the skills of the qualified and dedicated Public Works employees; and

WHEREAS, The contributions of the Public Works employees include regional and local planning and coordination with other jurisdictions; 24-hour service from road and bridge maintenance staff; road and bridge engineers designing and construction up-to-date facilities; traffic and sign staff installing and maintaining pavement markings and traffic signage; surveyors providing the necessary surveys for design and construction of road projects including topographic and right-of-way surveys and construction staking; right-of-way specialists ensuring safe and usable land for the transportation system; environmental compliance staff overseeing the County's compliance with local, State and Federal water quality rules; and administrative and financial support professionals that keep our offices running smoothly; and

NOW, THEREFORE, I, David Futch, Mayor of the City of Kelso, do hereby proclaim May 12-18, 2013, as National Transportation Week in the City of Kelso.

*In witness whereof, I have hereunto
set my hand and caused the seal of
the City of Kelso to be affixed this
16th day of April, 2013*

David Futch, Mayor

PROCLAMATION

Mental Health Awareness Month May 2013

WHEREAS, mental health is essential to everyone's overall health and well-being; and

WHEREAS addressing early the complex mental health needs of children, youth, and families today is fundamental to the future of Cowlitz County; and

WHEREAS, mental health problems can affect all areas of a person's life, including school, home and work; and

WHEREAS, mental health problems will strike one in five adults and children each year regardless of age, gender, race, ethnicity, religion or economic status; and

WHEREAS, over 38,000 American lives are lost each year to suicide; and

WHEREAS, all Americans – from combat veterans to hurricane victims – are vulnerable to chronic mental health problems associated with trauma and can benefit greatly from early identification and treatment; and

WHEREAS, people can recover from mental illness and lead full, productive lives in the community; and

WHEREAS, an estimated two-thirds of adults and young people with mental health problems go without the help they need; and

WHEREAS, each business, school, government agency, healthcare provider, organization and citizen bares the burden of mental health problems and has a responsibility to promote mental wellness.

NOW, THEREFORE, I, David Fatcher, Mayor of the City of Kelso, do hereby proclaim the month of May 2013, as Mental Health Awareness Month in the City of Kelso, and call upon all citizens, government agencies, public and private institutions, businesses and schools in Kelso to recommit our community to increasing awareness and understanding of mental health and the need for appropriate and accessible services for all people with mental illnesses.

*In witness whereof, I have hereunto
set my hand and caused the seal of
the City of Kelso to be affixed this
16th day of April, 2013*

David Fatcher, Mayor

PROCLAMATION

Crime Victim's Rights Week

April 21 - 27, 2013

Whereas 25,000,000 individuals in the United States are victims of crime each year, including over 6,000,000 victims of violent crime;

Whereas, 25,000,000 individuals in the United States are victims of crime each year, including over 6,000,000 victims of violent crime;

Whereas, although our Nation has steadily expanded rights, protections, and services for victims of crime, too many victims are still not able to realize the hope and promise of these gains;

Whereas, we must do more to ensure that services are available for underserved segments of the population, including crime victims with disabilities, victims with mental illness, and victims who are children, teenagers, elderly, or from urban and rural areas or communities of color;

Whereas, observing victims' rights and treating victims with dignity and respect serves the public interest;

Whereas, 2013 marks the 29th anniversary of the enactment of the Victims of Crime Act of 1984, the hallmark of the Federal Governments' recognition of its commitment to supporting rights and services for victims of all types of crime through the establishment of the Crime Victims Fund, that is paid for by criminal fines and penalties, rather than by taxpayers' dollars'

Now, Therefore, I, David Fletcher, Mayor, do hereby proclaim April 21, 2013 through April 27, 2013, as **CRIME VICTIM'S RIGHT'S WEEK** and the City of Kelso supports the constitutional and statutory rights and needs of victims, and supports the goal of increasing public awareness of the impact of crime on victims and survivors.

*In witness whereof, I have hereunto
set my hand and caused the seal of
the City of Kelso to be affixed this
16th day of April, 2013*

David Fletcher, Mayor

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Public Hearing for the Kelso HOME 2013
Project allocation

Agenda Item: _____

Dept. of Origin: Community Development

For Agenda of: April 16, 2013

Cost of Item: _____

PRESENTED BY:

Nancy Malone
Planning Manager

City Manager: Steve Taylor

AGENDA ITEM ATTACHMENTS:

2013 HOME Project Designs under separate cover

SUMMARY STATEMENT:

This Public Hearing will be held to review and consider HOME Program affordable housing projects submitted for funding and receive public comment for allocations. HOME funding is provided through the Federal Department of Housing and Urban Development (HUD) annually to the Longview-Kelso HOME Consortium. The City of Longview acts as the lead agency for the Consortium.

Two (2) HOME projects have been received. Additionally, the Lower Columbia Community Action Program has requested a 5% CHDO (Community Housing and Development Organization) Operating Cost allocation which both the Longview and Kelso Councils must approve as HOME Longview-Kelso Consortium partners.

Funding for 2013 HOME's Longview-Kelso Consortium is estimated at \$236,620 (a 10% reduction from 2012.) Congress has not finalized HOME funding for 2013 at this time.

<u>2013 Kelso HOME Project Summaries</u>	Amount Available: \$90,516.19	Amount
Requested: \$93,473		

Cowlitz Cottages— Construct 8 cottages for self-help homeownership (900-1200 sq. ft.) with parking located at 1124 N. Pacific Avenue, Kelso, formally the Terry Salvage Yard.
Lower Columbia Community Action Program **\$48,473**

Foundation for the Challenged Home — Purchase and rehabilitate a residential property for rental occupancy for persons with disabilities. The property will contain 4-bedrooms in either a single-family home or duplex. Case management is provided by Life Works funded by WA Division of Developmental Disabilities. Life Works sponsored through Foundation for the Challenged **\$45,000**

RECOMMENDED ACTION:

Staff recommends council to make a motion to allocate 2013 HOME funding for the above noted projects as agreed by Council.

HOME Participating Jurisdiction Project Design Proposal - 2013

Applicant: Lower Columbia CAP	Contact Person: Michael Torres
Title: Programs Director	Title: Same
Address: 1526 Commerce Avenue Longview, WA 98632	Address: Same
Phone: 360-425-3430 x 242	Phone: Same
Fax: 360-575-1664	Fax: Same
E-mail: michael@lowercolumbiacap.org	E-mail: Same

Non-Profit Status: NO ☐ Yes ☒ **IRS Tax Identification Number** 91-0814141

Location: ☐ Longview ☒ Kelso

Project Title: Cowlitz Cottages

HOME Funding Requested: \$ 48,473

Project Description

1. Give a brief summary of your project (under 101 words):

This proposed Affordable Housing (ownership) Project supports construction of 8 cottages for self-help homeownership (900-1200sq. ft.), located at 1124 N. Pacific Avenue, Kelso, WA 98626. This is the Kelso Brownfield (formerly Terry Salvage Yard) redevelopment effort, currently named "Cowlitz Cottages". The homes will share community space, and each home has access to two surface parking spaces.

2. Describe the project noting the problem(s) or opportunity(s) that will be addressed.

There is a documented need for affordable private-market housing in the Longview Kelso area (see Longview-Kelso HOME Consortium 2009-2013 Consolidated Plan, pg. 30). Since the 2008 collapse of the housing market, there has been very little new-construction affordable housing being added to the inventory. Though many foreclosures have entered the housing stock, housing sales and housing starts remain significantly lower than the national, state and local markets.

This project increases this critically-needed affordable housing stock.

Also extremely important, this project eliminates blight by re-developing the Kelso Brownfield site formerly known as "Terry Salvage Yard", which will have been made suitable for residential use by the City of Kelso via an EPA Brownfield cleanup grant.

3. List the specific HOME objective information from the "5 year Strategic Plan" within the 2009-2013 Longview-Kelso Consolidated Plan. (See website information under Instructions).

Consolidated Plan Objective Code and Number: **DH-1.5**

Consolidated Plan Objective Title: **Expand homeownership opportunities for persons of low and moderate income and to promote neighborhood stability.**

Consolidated Plan Objective Proposed Accomplishments & Outcomes: **Assist low-to-moderate income households to achieve homeownership.**

Project Readiness

4. Describe what specific steps need to be completed before the project will be ready to proceed? (Projects must be under construction within 12 months of signing your HOME Contract or funding will be deobligated.)

1. Passing of Cottage Housing code by Kelso City Council (in development by Kelso Community Development Department estimated by September 2013).
2. Complete Financing (estimated December 2013).
3. Obtain building permits.
4. Perform outreach to potential low income Self-Help Housing program participants.

5. Please list start and completion date by Month, Day and Year:

Complete the "Project Timeline" (included at the end of this application) detailing project tasks and dates. This will be a part of your contract goals should your project be selected.

Project Start Date after Nov. 1st (mm-dd-yyyy) 06-01-2014

Project Completion Date (mm-dd-yyyy) 06-01-2015



Problem Impact and Severity

6. How will this project increase housing affordability for rentals or home ownership? What reductions in cost of rent or a mortgage would be realized? What rents will you charge for each one, two, and three bedroom when the project is complete? (Please detail from your attached ProForma.)

This project ensures low income households can afford to own and maintain a quality home. Though the specific cost of mortgage will be determined at time of sale, the cost of ownership will be significantly reduced by this HOME subsidy. Detailed estimates by Wellman and Zuck General Contractors and RMC Architects put Home Construction cost, including all on and off-site infrastructure development at an average of \$147,700 per unit, with participants moving-into a home with approximately \$8,775 of sweat-equity. The value of SHOP, HOME, and Sweat Equity are applied to cover the value of the down payment needed and reduce the monthly mortgage costs. Affordability is demonstrated below:

Sale Price	\$148,000.00	est. appraisal -used as mortgage
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Affordability: Housing Expenses (Including Utilities)

Downpayment needed	\$29,600
First Mortgage	\$148,000
Loan Term (in months)	360.00
Interest Rate (per year)	3.50%
Monthly Payment	\$532
Taxes	\$158
Insurance	\$50
Projected Month Payment (PITI)	\$740
Utility Costs/Month (Estimate)	\$200
Total Housing Expense/Per Month	\$940

Household Size	Annual Income	Monthly Income	%of Monthly Income (Includes Utilities)
Income Limit 4 Person Household @ 80% AMI	\$44,950	\$3,746	25%
Income Limit 3 Person Household @ 80% AMI	\$40,500	\$3,375	28%
Income Limit 2 Person Household @ 80% AMI	\$36,000	\$3,000	31%
Income Limit 4 Person Household @ 60% AMI	\$33,720	\$2,810	33%
Income Limit 3 Person Household @ 60% AMI	\$30,360	\$2,530	37%
Income Limit 2 Person Household @ 60% AMI	\$27,000	\$2,250	42%



7. How does this housing project create a better living environment for residents? Have local, county, or state authorities noted the severity of the problem? Note building, public health or/and safety issues.

This project constructs an affordable home for homeownership that meets State Building Code Standards; and will have low utility costs from being built to Washington State Energy Code requirements.

Long-term, the participating household will have achieved greater economic stability by attaining a valuable asset, and the stock of quality affordable housing in the community will have been increased.

The Longview-Kelso HOME Consortium has extensively noted the severity of the problem of lack of quality affordable housing for both rental and homeownership in the 2009-2013 Consolidated Plan. Specifically: pages 23-24 (Key-Findings -Analysis of Housing Needs, Housing Affordability, Housing Conditions), with advocacy for the benefits to the community of homeownership in page 27 (Approaches to Housing Needs). This latter section of the Consolidated Plan goes as far as stating:

“A 2004 report published by HUD states that homeownership benefits households by providing access to significant financial advantages, including protection against inflation in housing costs, tax savings, and accumulation of long-term wealth; further, that homeownership benefits the community through greater incentives for maintaining and improving properties and increased civic engagement.”

8. List similar projects or programs your agency has, and other agencies have, in place to address this problem in the community. List agencies, funding sources and amounts. List the number of families housed under each of these programs.

Lower Columbia CAP has several affordable housing programs:

-Self Help Housing, funded for the period 2013-2015 by USDA Rural Development at \$742,000, has built over 395 homes for affordable homeownership in rural areas of Cowlitz, Wakiakum, Lewis, and Clark Counties over the past 20 years.

-Weatherization Program, funded by WA Department of Commerce at approximately 250,000 per year, has made Weatherization repairs and upgrades for approximately 100 households per year.

-1412 N 1st - Lease Option

Funding source(s); amount(s); contract period(s)

Annual Rental Income \$4,200 with another \$4,800 into an escrow account for tenant to purchase.

Solution



Project Development

9. Did you attempt to collaborate the development of this project with other agencies? Which agencies were contacted and what was the outcome?

CAP is not partnering with other organizations or businesses on the construction of project. However, City of Kelso Community development Department has been an important partner in the realization of this project, leading the grant effort financing the Brownfield Cleanup to EPA standards; with quick-deed of the lots to Lower Columbia CAP for Cottage housing Development to follow.

10. How do you propose to solve the problem? Please be specific, itemizing the various tasks you will undertake.

This project increases the stock of quality affordable housing in the community.

Lower Columbia CAP will construct 8 cottage-style homes for homeownership using the Self-Help housing model. , market it, and sell it to a household whose total gross annual household income is equal to or less than 80 percent of median adjusted for household size within six months of loan closing, and as established annually by HUD. Following sale, CAP will ensure this project complies with HUD affordability requirements for owner-occupied units for a period of 5 years.

11. List all persons who would be involved during the development of this project and describe their project responsibilities. (Include names, titles, phone and e-mail.) (Responsibilities should include grant administration, project manager, developing partnerships, acquisition, overseeing construction, maintaining records, client intake and eligibility, etc.)

Michael Torres, Programs Director; 360-425-330 x242; michaelt@lowercolumbiacap.org. Michael provides the administration and direct oversight of grants, contracts, programs, and staff related to this project. He has been with CAP since 2009, during which time, he has led implementation of the Homeless Prevention and Rapid Rehousing Program (HPRP) for Cowlitz County, served as a key member of the "Ten Year plan to End Homelessness Update Committee", and its "Project Review Criteria Committee". Prior to CAP, Michael previously served as Executive Director of Northwest Service Academy, at the time one of the largest AmeriCorps programs in the country; and also served 12 years in the U.S. Navy. Michael will supervise the hiring of any program staff required for this project.

Marie Robbins, Administrative Manager; 360-425-3430 x221. marier@lowercolumbiacap.org. Marie will oversee the staff that will market the property and screen/qualify applicants, as well as the Construction Supervisor and timely submission of permits/certifications. She has been with CAP since 1990, and has extensive experience in Program Management, and administering projects related to housing.



Paul Pasmore, Construction Supervisor; 360-425-3430 x221. marier@lowercolumbiacap.org (contact via Marie Robbins e-mail). Paul will oversee all aspects of construction. Paul has been with CAP since 2005, and has over 40 years of experience in construction and carpentry.

Project Operation

12. Are you partnering with other organizations or businesses in this project? Will you have contracts for supportive services? What roles will each organization or business play after the project is completed? Please submit letters from partnering agencies and/or businesses as supporting documentation.

CAP is not partnering with other organizations or businesses on this project, and supportive services are not provided.

13. List all persons involved in the operation of this project when completed and describe their responsibilities. (Include names, titles, phone and e-mail.) (Responsibilities should include case management, day-to-day management, rent schedules for units, annual renter income review, partnerships in serving renters, etc., apartment management, and project owner.)

Juanita Burnham, Housing Projects Coordinator; 360-425-3430 x222. juanitab@lowercolumbiacap.org. Juanita will order materials for the homes, obtain bids and prepare contracts for sub-contractors. She will also have the critical role of outreach, screening, and qualification for an eligible household to purchase the home and participate in the Self-Help Housing program. Finally, Juanita will ensure the home meets Period of Affordability Requirements. She is a Certified Educator in Personal Finance; teaches Pre and Post Homeownership training, 1st Time Home Owners class and Asset Building Skills classes.

14. Complete the Rental or Ownership Proforma and Marketing Plan (provided separately.) Summarize your marketing/public outreach that you will provide to inform the general community of this project? (Review the Marketing Plan information under the Underwriting Policies)

Lower Columbia Community Action Council has a Federal Agency –approved (USDA Rural Development) Affirmative Fair Housing Marketing Plan which is designed to ensure that outreach activities inform all segments of the community, including very-low-income households. The plan identifies:

- ♦ Commercial media used to advertise the availability of the Affordable Housing Program;



- ♦ Community contacts from which referrals are sought; and
- ♦ Plans for information meetings to inform potential participants in the local area about the program.

This marketing approach is used by LCCAC's Self-Help Housing Program, and has worked successfully to date. In addition to the venues identified in the Fair Housing Marketing Plan, LCCAC has incorporated additional strategies to reach its low income and very-low-income target population.

- ♦ The program distributes brochures about the program through area businesses, churches and service clubs for redistribution to their employees, members and contacts.
- ♦ The Weatherization and Energy Assistance Programs run by LCCAC serve residents of Cowlitz County. These programs provide names and addresses to Housing Program, which mails information about the program directly to very low income and low income families in the general area of the building projects..
- ♦ Word-of-mouth advertising results in inquiries from families who know others who have participated in the program.

Families who request information about the program receive a brochure and are asked to complete a Pre-Screening form. Credit checks are submitted for those who appear to qualify. The rating system used to select participants includes additional points for applicants who live in sub-standard housing.

All HOME Projects are also marketed to the Affirmative marketing List attached in HOME contracts.

15. Describe your selection process for applicants to participate? How will disabled applicants be able to participate?

This will be a first-come-first serve application process. The applicants must meet income eligibility criteria described below; and credit requirements, as set by the bank making the mortgage loan.

Following the marketing approach described above, LCCAC will identify interested households whose total gross annual household income for all persons aged 18 or older to reside in the home as identified by IRS Form 1040, Definition of Adjusted Gross Income, must equal to or be less than 80 percent of median adjusted for household size within six months of loan closing, and as established annually by HUD.

Gross annual household income will be determined based on a projection of total household income for the next 12 month period per HOME Program Guidelines prior to final eligibility approval. Gross annual income will be recalculated if more than six months have elapsed since the household was first determined to be income eligible for participation in the program.

Disabled applicants are eligible to participate, in the Self-Help Housing program and reasonable accommodation will be made as required by ADA, to include having a proxy meet the Self-Help construction requirement if necessary.

16. What other short-term and long-term outcomes will result from the project?



Short-term, the participating households will better their living conditions by residing in a new construction home built to Code that meets HUD Housing Quality Standards with an affordable mortgage; and they will have low utility costs from their home being built to Washington State Energy Code requirements.

Long-term, the participating households will have achieved greater economic stability by attaining a valuable asset, and the stock of affordable housing in the community will have been increased.

Also important, blight will be removed by the brownfield development from a contaminated site where a salvage yard used to operate, to attractive, functional cottage housing.

17. What activities would still need to be undertaken after the project is completed in order for the problem to be fully addressed? Quantify where possible.

This project will need to comply with HUD affordability requirements for owner-occupied units for a period of 5 years. Affordability of this HOME Program Investment will be secured by a Promissory Note and recorded Deed of Trust or other security instrument in no lower position than second, unless prior written authorization is obtained from the lender.

The broader problem of resolving the problem this community faces with insufficient affordable housing stock for homeownership or rental is beyond the scale of this project. However, this project is another step in the right direction.

Households Benefiting

**18. What is the number of low-income households that will benefit from this project?
Use current year HUD Income Limits for family size.**

At or below 30% of Median Income: 0

At or below 50% of Median Income: 0

At or below 80% of Median Income: 8

TOTAL Number of Households: 8

Budget

19. Explain why HOME funds are appropriate for your project. If this application is for a program currently receiving HOME funding, discuss what action you have taken and what other funding sources have been investigated in the last 12 months to reduce your organization's dependence on City of Longview (or City of Kelso) HOME funds.



HOME funds are appropriate because this project expands the supply of decent, safe, sanitary, and affordable housing in the community.

20. What agency funding will you commit to this project? If none, why not? (A 25% match of non-federal funding is desired.)

Lower Columbia CAP has committed \$120,000 in SHOP funds for this project. As indicated in question 23a. below, this project also leverages an estimated \$70,200 in Sweat Equity, and \$659,620 in CAP Construction Loan.

21. If one or more funding sources listed below is not realized, what impact would this have on your project? Explain what changes would be considered to its scope or design, including the number of families housed, structure(s) constructed, delays in construction start date, etc. and whether your project would exist without HOME funding.

This project is not feasible without the funding sources listed, to include HOME funding.

22. Complete and attach the separate HOME Budget Form.

Complete the budget form showing all sources and uses of funds related to your project.

23. Sources and Uses Fund Statement / Budget Form Narrative

a. Please list all funding sources, intended uses, and amounts from your budget form. Identify each source as Federal, State, Local, or Private.

Source and Type	Proposed Funding	Committed/ Conditional Funding	Application Date	Award Date	Total Funding
Residential					
WA State Housing Trust Fund (HTF)	\$215,831		1/7/2013	12/31/2013	\$215,831
SHOP(Federal)	\$120,000	\$120,000	6/15/2013	10/31/2013	\$120,000
HOME(Federal)	\$48,473.25		3/1/2013	11/30/2013	\$48,473.25
CAP Construction Loan (Private)	\$659,620		11/1/2013	2/28/2014	\$659,620
CHDO (Federal)	\$23,526.75		8/15/2013	11/30/2013	\$23,526.75
FHLB (Federal)	\$113,921.28		8/15/2013	2/28/2014	\$113,921.28
Sweat Equity (Private)	\$70,200		6/1/2015	6/1/2015	\$70,200
City of Kelso - Land (Local)	\$122,075		N/A	9/30/2013	\$122,075
Total Residential Development Cost	\$1,373,647.28	\$120,000			\$1,373,647.28



b. Identify which sources are proposed and which sources are committed.

CAP has already coordinated with Community Frameworks to set aside the \$120,000 in SHOP funds. All other financing is proposed.

Housing Trust Fund pre-application (Phase 1) has been submitted to WA State.

c. Supporting Documentation: List and attach "Sources of Funds" supporting documentation noted under Question #25.

-Certification Letter

d. Supporting Documentation: List and attach "Uses of Funds" supporting documentation noted under Question #25.

-Architectural drawings and elevations, floorplans.

24. Please list the amount of private, local, and State (non-federal) matching funds which will be designated towards the 25% match per HOME categories below:

\$ _____ A. Cash Contributions
\$ _____ B. Forgone, Taxes, Fees and Charge
\$ 122,075 C. Donated Land or Other Real Property
\$ _____ D. On Site and Off-Site Infrastructure
\$ _____ E 1 Donated Site Preparation
\$ _____ E 2 Donated Construction Material
\$ _____ E 3 Donated Labor (other than homeowner): Number or hours 7,020 times \$10 per hour
\$ 70,200 E1 Sweat Equity (homeowner only): Number or hours _____ times \$10 per hour
\$ _____ F. Proceeds from Affordable Housing Bonds
\$ _____ G. Supportive Services – Type _____
\$ _____ G1 Homebuyer Counseling Services
\$ \$215,831 Estimated/Unknown at this time. Type : WA HTF

Attachments

25. Required Attachments

HOME Program Longview- Kelso HOME Consortium

Questions? Technical Assistance? Contact Julie Hourcle' at 360.442.5081, or by e-mail at: julie.hourcle@mylongview.com

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- ☐ **Project Timeline** (*Note: Funding is available in November following project submittal. Please plan accordingly.*)
- ☐ **Project Budget** (*Note: Show all funding sources and note if they are committed or not committed. List date when commitment will be confirmed.*)
- ☐ **Detailed Cost Estimates** (*Specific costs for project itemized to show project cost analysis.*)
- ☐ **Project Documentation** (*See below*)
- ☐ **HOME Performa: Rental or Homeowner Affordability**
- ☐ **Market Analysis** (*separate form*)
- ☐ **Marketing Plan** (*as described in the Underwriting Policies and Procedures.*)
- ☐ **Developer Development Capacity Certification**
- ☐ **Agency Financial Audit by e-mail** (*Most current independent audit.*)

Project Documentation to support your project. (Provide in order listed. Staff may limit the number of documents to the most important for Council to base its decision.)

- **Sources of Funds**
 1. Include commitment letters with all terms and conditions for all mortgages, loans, grants, subordination agreements, private fundraising, bridge (interim) loans and investment tax credits (historical low-income, if applicable);
 2. Provide a formal Certification letter signed by the Agency Director or Owner listing the amounts and type of all governmental assistance (Federal, State, and Local) which will be used in this project.
 3. If you (the applicant) are a partnership, or will enter into a partnership to undertake this project (including services) provide a copy of the partnership agreement, which will indicate the cash contributions by the general partner(s) and/or limited partner(s).
- **Uses of Funds**
 1. Earnest money agreement, option or closing statement for land and/or building(s);
 2. Construction cost estimate
 3. Construction contract or preliminary (bids)
 4. Agreements governing the various reserves which are capitalized at closing (to verify that the reserves cannot be withdrawn later as fees or distributions.)
 5. Appraisal (to substantiate the value of the land and the value of the property after rehabilitation or the structure being built)
 6. If low-income tax credits are utilized, provide documentation on the syndication costs (legal, accounting, tax opinion, etc.) from the organization/individuals who will syndicate and sell the offering to ensure that the project can support the fees necessary to syndicate/fund the project. All assumptions should be verified in the supporting documentation.
- Maps, architectural renderings and elevations, floor plans
- Surveys and other professional reports
- Letters from local, state, or federal agencies directing the repair or creation of a specific housing project
- Letters attesting to the subject problem
- Letters of support
- Current news articles
- Engineering, soils, or environmental reports



Project Timeline

Detail Tasks for Project	Start Date Month Day Year	Completion Date Month Day Year
Submit full description		
Market for Residents	12-1-13	
Submit plans to City for review	4-1-14	6-2-14
Submit for right-of-way permit	4-1-14	6-2-14
Receive building & right-of-way permits	6-2-14	6-2-14
Begin excavation & utilities hook-ups	6-2-14	6-20-14
Form/inspect/pour foundations	6-23-14	7-11-14
Backfill & rough grade	7-14-14	7-18-14
Lumber drop & rough framing	7-21-14	8-8-14
Siding/plumbing/electrical rough-ins	8-11-14	8-29-14
Sheer wall/plumbing/electrical inspections complete	9-1-14	9-5-14
Final framing & o.k. to insulate	9-8-14	9-19-14
Insulate & drywall/Install/Pour concrete	9-22-14	10-10-14
Interior doors & trim	10-13-14	10-31-14
Paint interior & exterior completed	11-3-14	11-28-14
Floor prep & clean-up	12-1-14	1-2-15
Install flooring - vinyl	1-5-15	1-23-15
Install cabinets/countertops	1-26-15	2-20-15
Electrical trim	2-23-15	3-20-15
Plumbing trim	2-23-15	3-26-15
Carpet, Construction clean & final detail	3-30-15	5-8-15
Final inspection & Certificate of Occupancy	5-28-15	5-28-15
Final quality control walk-through	5-31-15	5-31-15
Move-in/Rent up	6-1-15	6-1-15
Close out		



Marketing Plan: A marketing plan shall be completed to show how the project will be marketed publically to Longview and/or Kelso residents through the public media, professional realtor or/and real estate marketing staff for at least 90 days or until the unit(s) are fully sold/rented. The advertising methods used to reach buyers/renters, both paid and free, and direct promotion through local organizations, stakeholders and social media can be used. The message to buyers should note that the value/sales ore rental price is competitive and the home's features fit the target buyer or renter. The agency must follow its marketing plan and provide documentation of its public marketing effort prior to selecting its recipient(s.)

Lower Columbia Community Action Council has a Federal Agency –approved (USDA Rural Development) Affirmative Fair Housing Marketing Plan which is designed to ensure that outreach activities inform all segments of the community, including very-low-income households. The plan identifies:

- ♦ Commercial media used to advertise the availability of the Affordable Housing Program;
- ♦ Community contacts from which referrals are sought; and
- ♦ Plans for information meetings to inform potential participants in the local area about the program.

This marketing approach is used by LCCAC's Self-Help Housing Program, and has worked successfully to date. In addition to the venues identified in the Fair Housing Marketing Plan, LCCAC has incorporated additional strategies to reach its low income and very-low-income target population.

- ♦ The program distributes brochures about the program through area businesses, churches and service clubs for redistribution to their employees, members and contacts.
- ♦ The Weatherization and Energy Assistance Programs run by LCCAC serve residents of Cowlitz County. These programs provide names and addresses to Housing Program, which mails information about the program directly to very low income and low income families in the general area of the building projects.
- ♦ Word-of-mouth advertising results in inquiries from families who know others who have participated in the program.

Families who request information about the program receive a brochure and are asked to complete a Pre-Screening form. Credit checks are submitted for those who appear to qualify. The rating system used to select participants includes additional points for applicants who live in sub-standard housing.

*Currently approved Affirmative Fair Housing Marketing (AFHM) Plan – Single Family Housing that is in place for current Self-Help Housing project underway at Castle Rock, WA is provided. Same plan outline will be followed for this project. Upon approval, AFHM Plan specific 1124 N. Pacific Avenue, Kelso, WA 98626 will be filed.



Instructions & Application Process

Designing Projects

The Cities of Longview and Kelso appreciate your interest and participation in the HOME Program. Please follow these guidelines and requirements when proposing projects:

1. READ the 2009-2013 Consolidated Plan to develop annual projects. The Plan can be accessed on the City of Longview Website at www.mylongview.com under the Community Development Department *HOME Program* scrolling down to "Important Links."
2. Use the 5-year Objectives, Accomplishments and Outcomes to develop projects.
3. Meet the proposed accomplishments and outcomes. If a previous project has met the proposed accomplishments and outcomes during the 5-year planning process, you should select another objective or consider other funding sources.
4. Review Underwriting Policies and Procedures.
5. It is strongly urged that your project be discussed in detail with HOME staff prior to design and submittal. Application completeness will be reviewed after submittal for possible additions/corrections.
6. Projects using other funding sources must show documentation through funding commitment letters. No HOME funding will be released without full project funding in place.
7. Projects which will not be substantially underway to drawdown funds by **July 2014 may be deobligated by December 2014.**
8. Agencies or individuals must start construction within 12 months of their HOME contract date or funding will be deobligated. Projects not completed within 3 years of the dated contract will have remaining HOME funding deobligated. Projects which cannot show a verified HOME accomplishment based upon their Project Design at the end of their contract date must return all HOME money spent to the Kelso-Longview Consortium.
9. If contractors are to be hired, an affirmative effort must be made to market to Minority and Women Owned Businesses / Providers.
10. All paid labor must adhere to HOME Davis/Bacon federal wage rules or meet state prevailing wage guidelines, whichever is higher in projects involving 12 or more housing units.
11. If rental property is involved, a "HUD Marketing Plan" must accompany your request, showing how you will be able to compete for market share; and "HOME Proforma" and still maintain affordable rents per HUD guidelines.



12. Your project must be in compliance with all federal guidelines pertaining to environmental hazards (e.g. asbestos, lead-based paint, soil contaminants, etc), public notices, reporting requirements, fair housing practices, and any other public regulations.

Project Proposals are usually due March 1st of each year.

- ☐ Please submit **1 copy** of the Project Design Form, Project Timeline, Budget and Additional Attachments by **Monday, March 4, 2013** to:

Julie Hourcle'
Community Development Department
Longview City Hall
1525 Broadway
Longview, WA

- ☐ **After staff review**, you will be asked to make **13 copies** of your entire application packet for the City Council Public Hearing.

Public Presentation of your Project Design Proposal

Longview Projects:

You will be asked to present your proposal to the Longview City Council, Longview City Hall in a Public Hearing on the **Thursday, April 25, 2013.**

Kelso Projects:

You will be asked to present your proposal to the Kelso City Council, Kelso City Hall in a Public Hearing on **Tuesday, April 16, 2013.**

Public Review of all projects is available at least one week prior to the public hearings.

Questions?? Technical Assistance??

Contact Julie Hourcle' 360.442.5081

FAX: 360.442.5953.

E-mail: julie.hourcle@mylongview.com

Check our website at: <http://www.mylongview.com/communitydev/HOMEProgram.htm>

The City of Longview is the lead agency for the Longview – Kelso HOME Consortium.



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[illegible]

Use current HUD Annual Income Limits				
HOME Subsidy used for Construction	\$6,059	Each Unit		
HOME Subsidy used for Soft Costs	\$0			
Total Development Costs	\$1,373,647			
Sale Price	\$ 148,000.00	est. appraisal - used as mortgage amount		
Income Qualifying the Home Buyer				
Downpayment needed	\$29,600	(\$15,000 SHOP, \$6059 HOME, Sweat Equity \$8,541)		
First Mortgage	\$148,000			
Loan Term (in months)	360.00			
Interest Rate (per year)	3.50%			
Monthly Payment	\$532			
Taxes	\$158			
Insurance	\$50			
Projected Month Payment (PITI)	\$740			
Utility Costs/Month (Estimate)	\$200			
Total Housing Expense/Per Month	\$940			
Household Size	Annual Income for	Monthly Income	Percent of Monthly Income As Rent (Includes Utilities)	
Income Limit 4 Person Household @80% AMI	\$44,950	\$3,746	25%	
Income Limit 3 Person Household @80% AMI	\$40,500	\$3,375	28%	
Income Limit 2 Person Household @80% AMI	\$36,000	\$3,000	31%	
Income Limit 4 Person Household @60% AMI	\$33,720	\$2,810	33%	
Income Limit 3 Person Household @60% AMI	\$30,360	\$2,530	37%	
Income Limit 2 Person Household @60% AMI	\$27,000	\$2,250	42%	



March 14, 2013

Mr. Neil McCarthy
RMC Architects
1223 Railroad Avenue
Bellingham, WA 98555

Re: Cowlitz Cottages
Cost Estimate

Dear Neil:

Our cost estimate is based on the following assumptions:

- MFA will include in their budget extensions of all utilities to property line, which includes water, sewer, storm, primary power and telecommunications.
- All existing structures including foundation will be removed by others.
- Site is assumed to be geotechnically stable and ready for construction.
- All permit fees and utility connection fees to be paid for by others.
- Prevailing wage rate is not included.

Neil, other than the above items I feel very confident that my cost estimate is accurate for today's construction costs, but MFA needs to be aware that construction material prices are rising monthly at a frightening rate (Example: One year ago 1 Sheet of 7/16 OSB sheathing cost about \$6.90 per sheet, today's competitive price is about \$18.90 per sheet). Labor prices seem to be stable along with subcontractor profit margins. MFA should budget enough contingency to cover anticipated increases.

Please see the attached summary of the Construction Cost Breakdown, and the Cost Estimate. If you have any questions, please call me at (360) 671-3295.

Sincerely,

A handwritten signature in cursive script that reads "Brian J. Wellman".

Brian J. Wellman
Managing Member

Enclosures



March 14, 2013

Cowlitz Cottages

Construction Cost Breakdown

Div. 1	General Conditions	\$59,850.00
Div. 2	Sitework	\$230,443.00
Div. 3	Concrete	\$64,250.00
Div. 4	Masonry	Not Used
Div. 5	Metals	Not Used
Div. 6	Wood & Plastics	\$215,948.00
Div. 7	Thermal & Moisture Protection	\$101,464.00
Div. 8	Doors & Windows	\$27,344.00
Div. 9	Finishes	\$151,440.00
Div. 10	Specialties	\$750.00
Div. 11	Equipment	\$24,480.00
Div. 12	Furnishings	\$20,674.00
Div. 14	Conveying Systems	Not Used
Div. 15	Mechanical	\$56,300.00
Div. 16	Electrical	<u>\$42,400.00</u>

Subtotal	\$995,343.00
10% P & O	<u>\$99,534.00</u>
Subtotal	\$1,094,877.00
7.9% WSST	<u>86,495.28</u>
Complete Total	1,181,372.28

Cowlitz Cottages (Preliminary Cost)
Date: 3/14/2013

		COST	SUBTOTAL
	DIV 1 GENERAL REQUIREMENTS		59,850.00
01105	Testing	NIC	
01108	Site Survey & Layout	3,000.00	
01110	Performance Bond	NIC	
01120	Permit Fees/ Utility Connection Fees	NIC	
01130	Mob/Demobilization	600.00	
01187	Final Cleaning	3,600.00	
01300	Project Management/Supervision & General Labor	32,000.00	
01406	Misc. Hardware/supplies	1,100.00	
01409	Job Trailer Rental	1,200.00	
01410	Site Office Expenses/Supplies	250.00	
01420	Plans & Printing	NIC	
01460	Temporary Utilities	4,000.00	
01480	Sani Can	850.00	
01485	Garbage Haul Out	3,500.00	
01490	Temporary Phone	1,800.00	
01550	Temporary Fence	1,950.00	
01850	Rentals	6,000.00	
	DIV 2 SITEWORK		230,443.00
02200	Site Clearing, Grubbing & Cleanup	See 02315	
02315	Excavation, Fill, Grading, Utilities, Ftg Drains	110,000.00	
02370	Erosion & Sediment Control	See 02315	
02512	Electrical Trenching	See 02315	
02513	Plumbing Trenching & Backfill	See 02315	
02586	Water & Sewer Connection to Bldgs	See 02315	
02600	Roof & Footing Drains	See 02315	
02632	Rain Gardens	See 02315	
02760	Wheel Stops	600.00	
02762	Striping	350.00	
02772	City Standard Curb, Gutter and Sidewalk	9,650.00	
02795	Asphalt Paving	21,000.00	
02810	Irrigation System	NIC	
02825	Fencing 790 lf. 42" Tall "Ameristair"	32,343.00	
02874	Bike Racks	NIC	
02882	Playground, BBQ, Gardens & Shed "Allowance"	37,000.00	
02900	Landscaping "Allowance"	19,500.00	
	DIV 3 CONCRETE		64,250.00
03100	Foundation & Footings	59,000.00	
03102	Sidewalks & Driveways (On-Site)	5,250.00	
03103	Concrete Retaining Walls	NIC	
03106	Concrete Pumping	See 03100	
03200	Rebar	See 03100	
	DIV 4 MASONRY	N/A	0.00
	DIV 5 METALS	N/A	0.00
	DIV 6 WOOD & PLASTICS		215,948.00

Cowlitz Cottages (Preliminary Cost)

Date: 3/14/2013

		COST	SUBTOTAL
06062	Lumber	114,000.00	
06092	Framing & Misc. Hardware	See 06092	
06100	Framing Labor (Rough Carpentry)	30,000.00	
06150	Wood Decking	See 07470	
06172	Wood Trusses & Boom Truck	18,976.00	
06175	Manufactured Wood Joists	15,608.00	
06200	Finish Labor	11,000.00	
06400	Finish Lumber & Interior Doors	26,364.00	
06500	Closet Kits	See 06400	
	DIV 7 THERMAL & MOISTURE PROTECTION		101,464.00
07210	Building Insulation	12,904.00	
07301	Roof Composition	17,200.00	
07460	Siding Install Labor	14,400.00	
07470	Siding Material	53,360.00	
07710	Roof Specialties (Gutters & Downspouts)	3,600.00	
	DIV 8 DOORS & WINDOWS		27,344.00
08110	Door Installation	See 06200	
08200	Exterior Doors	4,300.00	
08201	Interior Doors	See 06400	
08560	Vinyl Windows (Triple Pane)	19,444.00	
08625	Skylights	NIC	
08710	Door Hardware	3,600.00	
08800	Mirrors & Install		
	DIV 9 FINISHES		151,440.00
09250	Gypsum Sheet Rock	68,400.00	
09310	Ceramic Tile Shower	NIC	
09640	Wood Flooring	NIC	
09650	Resilient Flooring	6,390.00	
09652	Laminate Flooring	NIC	
09653	Tile Flooring	NIC	
09680	Carpeting & Pad	18,630.00	
09720	Wall Paper	NIC	
09900	Painting (Int & Ext) (One Color Int. & 3 Colors Ext.)	53,040.00	
09997	Ceramic tile counter Tops & Install	NIC	
09998	Granite Counter Tops & Install	NIC	
09999	Laminate Counter Tops	4,980.00	
	DIV 10 SPECIALTIES		750.00
10520	Fire Extinguishers & Cabinets	NIC	
10550	Mailboxes	NIC	
10800	Toilet & Bath Hardware	750.00	
10824	Tub & Shower Doors	NIC	
	DIV 11 EQUIPMENT		24,480.00
11450	Appliances "Energy Star"	24,480.00	
11455	Appliance Installation	See 11450	

Cowlitz Cottages (Preliminary Cost)**Date: 3/14/2013**

		COST	SUBTOTAL
	DIV 12 FURNISHINGS		20,674.00
12300	Cabinets	10,490.00	
12301	Cabinet Pull Hardware	500.00	
12302	Cabinet Install	3,600.00	
12303	Cabinet Stocking	400.00	
12490	Window Blinds & Install	5,684.00	
	DIV 14 CONVEYING SYSTEMS	N/A	0.00
	DIV 15 MECHANICAL		56,300.00
15010	Plumbing & Fixtures	34,000.00	
15105	Gas Piping	NIC	
15300	Fire Sprinkler System	NIC	
15500	HVAC System	NIC	
15852	Venting for Baths, Laundry & Range Hoods	3,500.00	
15501	Venmar Units	18,800.00	
	DIV 16 ELECTRICAL		42,400.00
16000	Electrical	37,600.00	
16500	Interior Light Fixtures "Allowance"	4,800.00	
16501	Exterior Light Fixtures	See 16501	
16522	Parking Lot Light Poles	NIC	
16720	Fire Alarm System	NIC	
16751	Security System (Pre Wire Only)	NIC	

Subtotal of Costs	995,343.00	995,343.00
10% P & O	99,534.00	
Subtotal	1,094,877.00	
7.9% WA State Sales Tax	86,495.28	
TOTAL	1,181,372.28	

Cowlitz Cottages (Preliminary Cost)**Date: 3/14/2013**

		COST	SUBTOTAL
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**Alternate 1: Upper floor plan Unit C
(Addition)**

Lumber	1,500.00
Framing Labor	800.00
Insulation	240.00
Plumbing	1,050.00
Venting	220.00
Electrical	550.00
Drywall	500.00
Paint	655.00
Vanity, Cabinet & Top	450.00
Finish Labor	400.00
Floor Coverings	590.00

Subtotal of Costs Per Unit	6,955.00
10% P & O	695.50
Subtotal	7,650.50
7.9% WA State Sales Tax	604.39
Total Per Unit	8,254.89
(x 2 units)	x2
Complete Total	16,509.78

Cowlitz Cottages (Preliminary Cost)

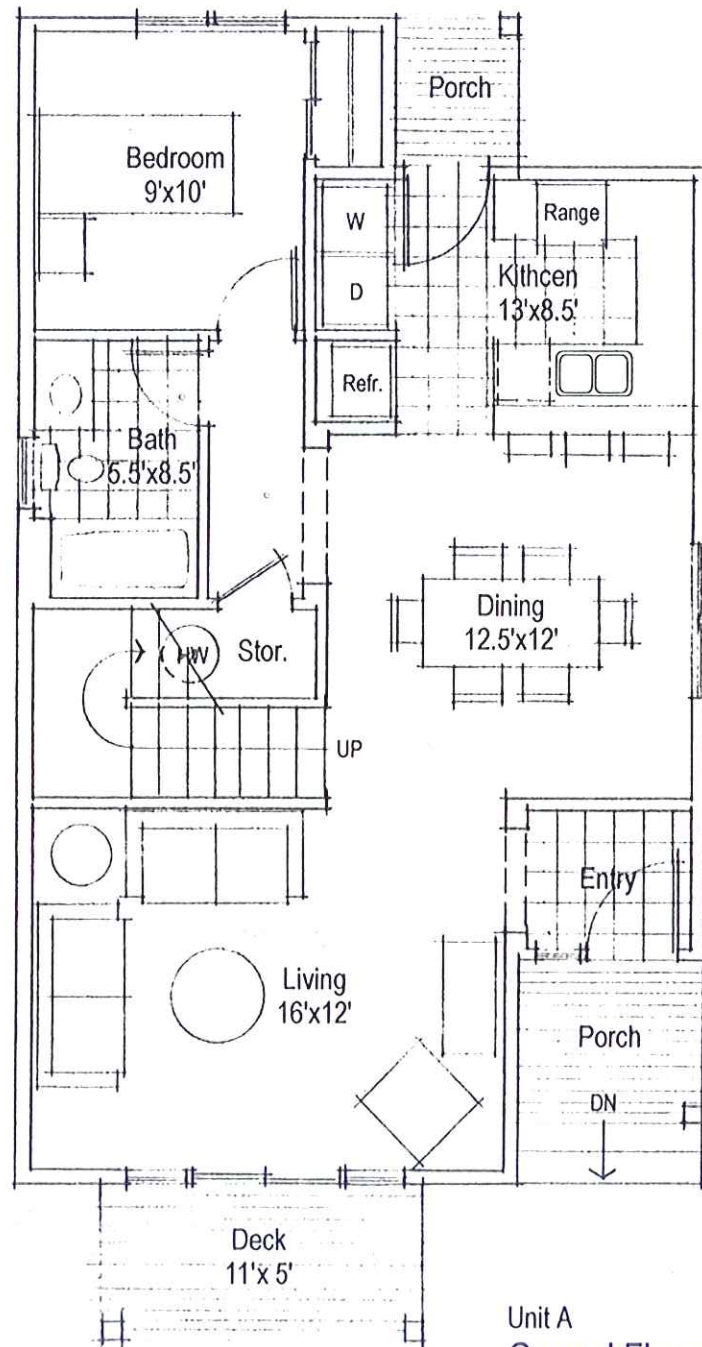
Date: 3/14/2013

		COST	SUBTOTAL
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**Alternate 2: Additional cost for Soundwall per DSA Report (Cost included in bid)
(Deduct)**

Sheet Rock & Clips	27,400.00
Double Layer Exterior Gyp.	3,370.00
Exterior Gyp. Install Labor	7,200.00
Triple Glaze Windows Additional Cost	4,626.00

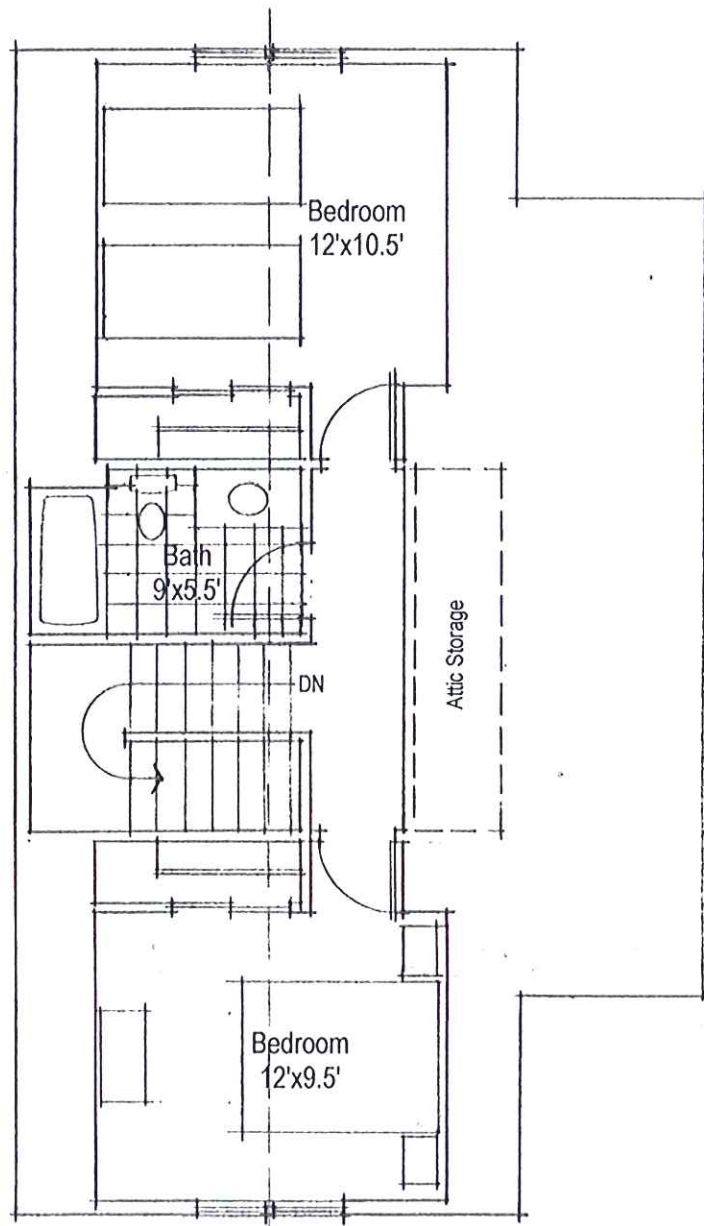
Total Amount Added: 42,596.00



Ground Floor 750sf
 Upper Floor 490sf
 1,240sf

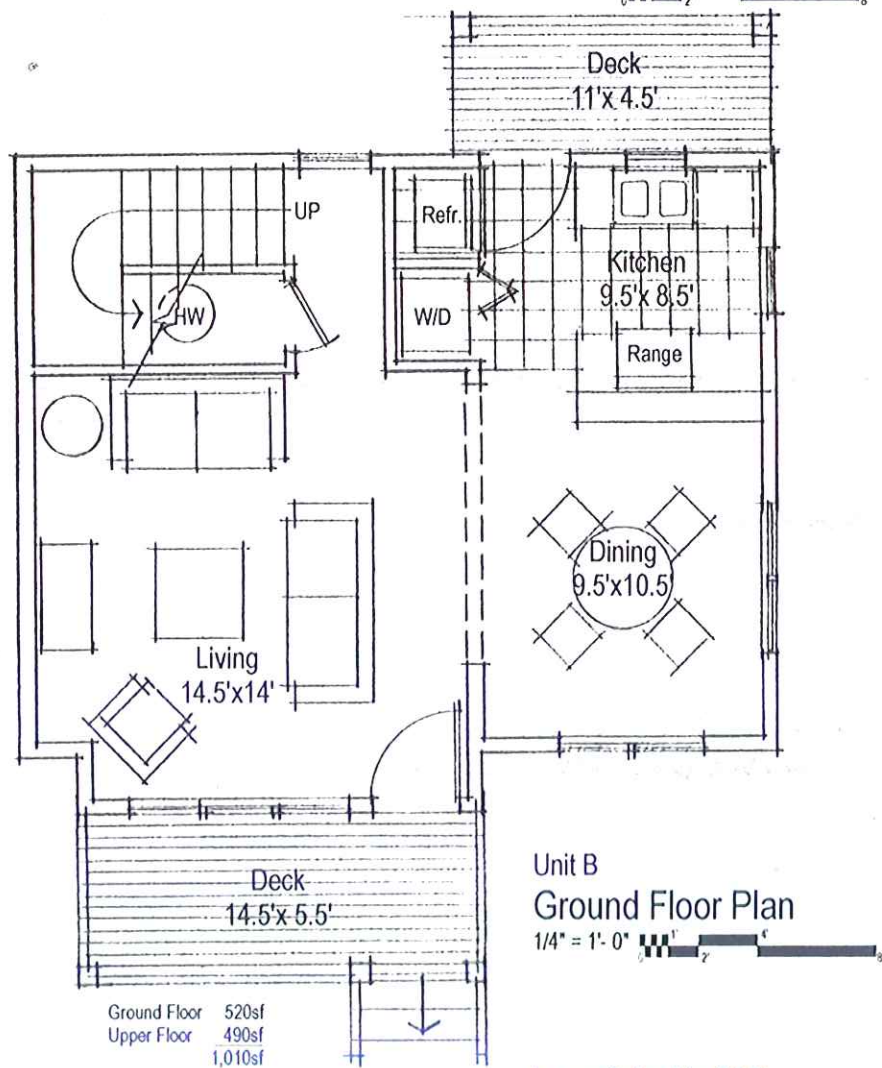
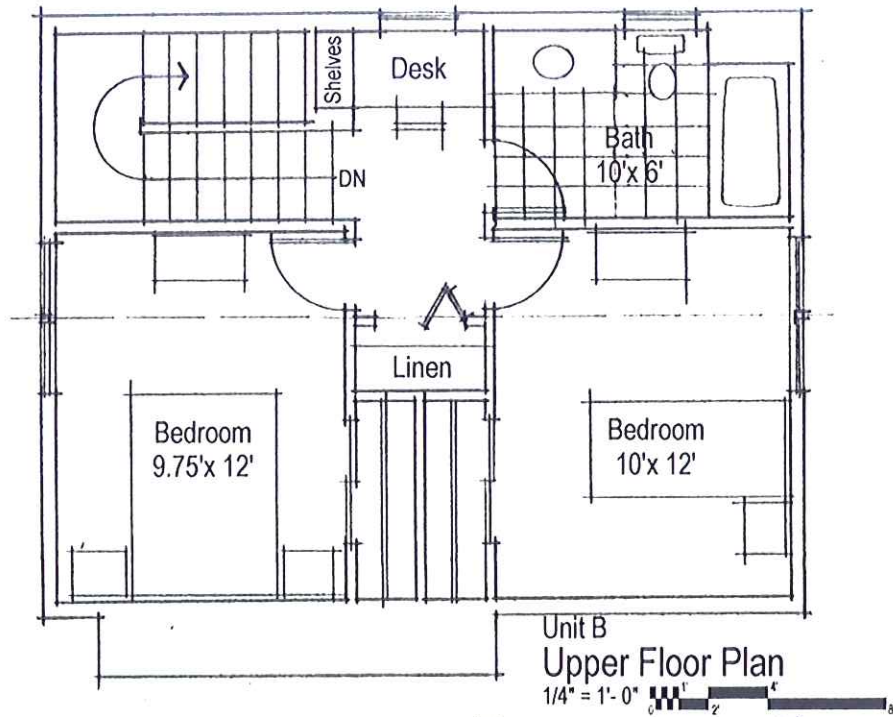
Unit A Ground Floor Plan

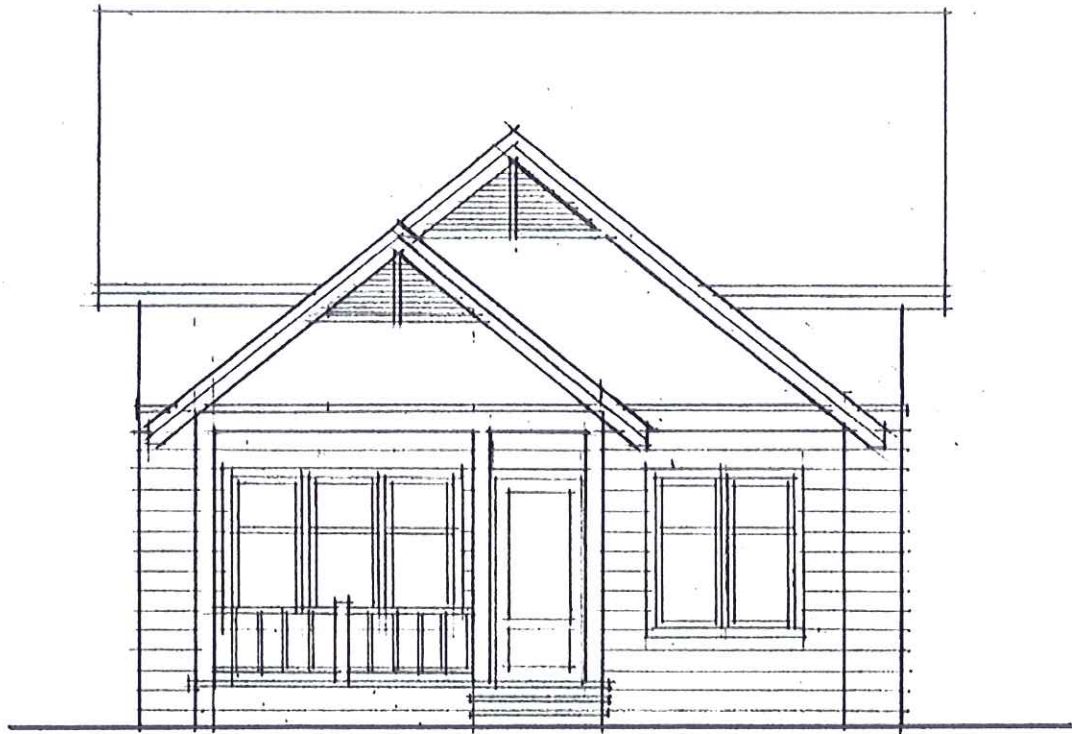
1/4" = 1'-0"



Unit A
Upper Floor Plan

1/4" = 1'-0"





Unit B
Front Elevation

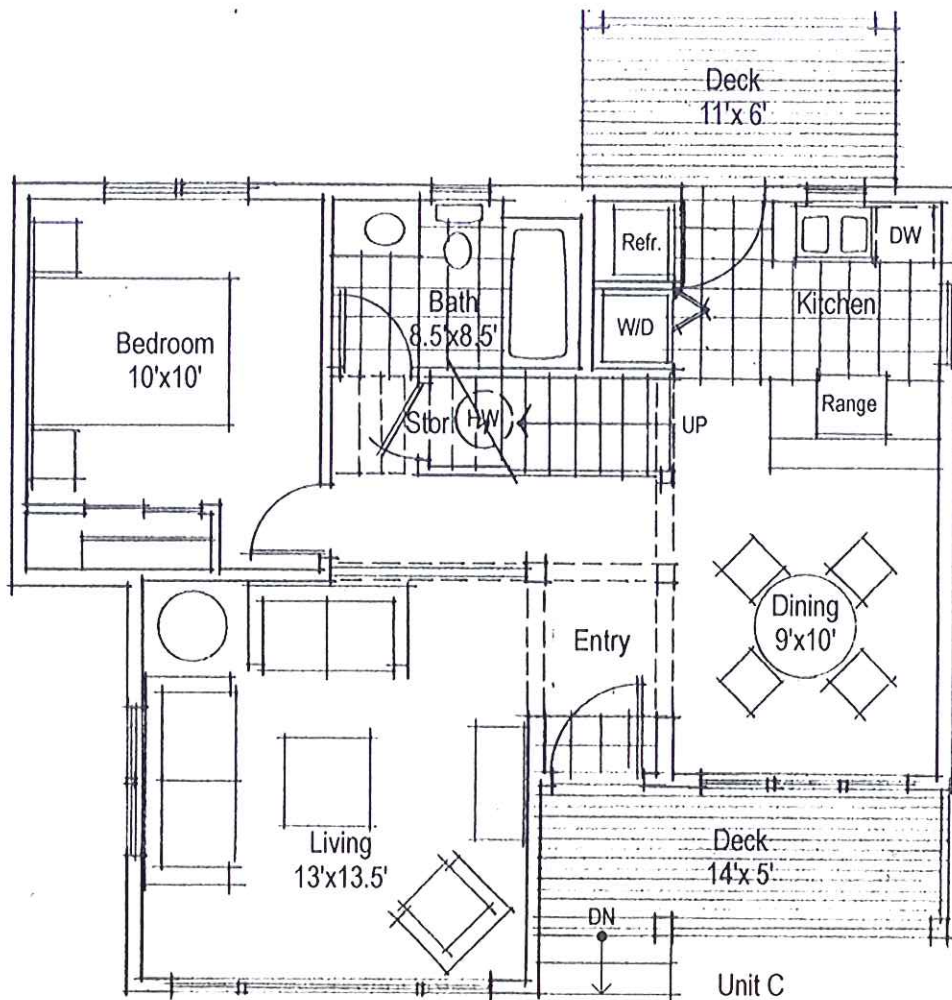
1/4" = 1'-0"



Unit A
Front Elevation

1/4" = 1'-0"

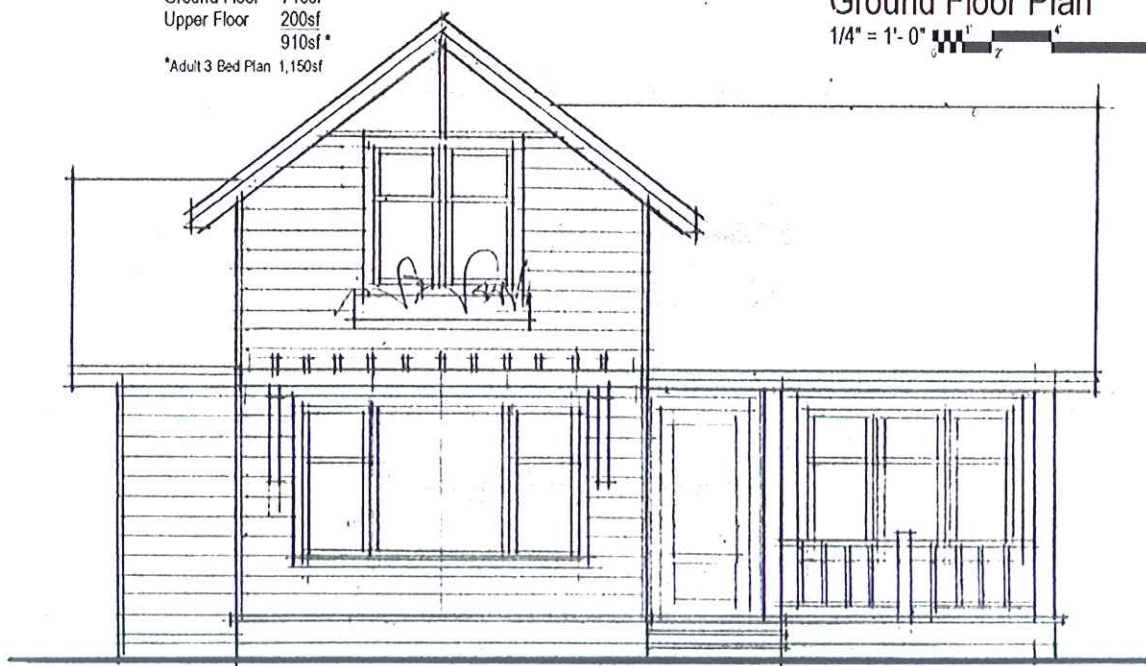




Ground Floor 710sf
 Upper Floor 200sf
 910sf*
 *Adult 3 Bed Plan 1,150sf

Unit C
 Ground Floor Plan

1/4" = 1'-0"



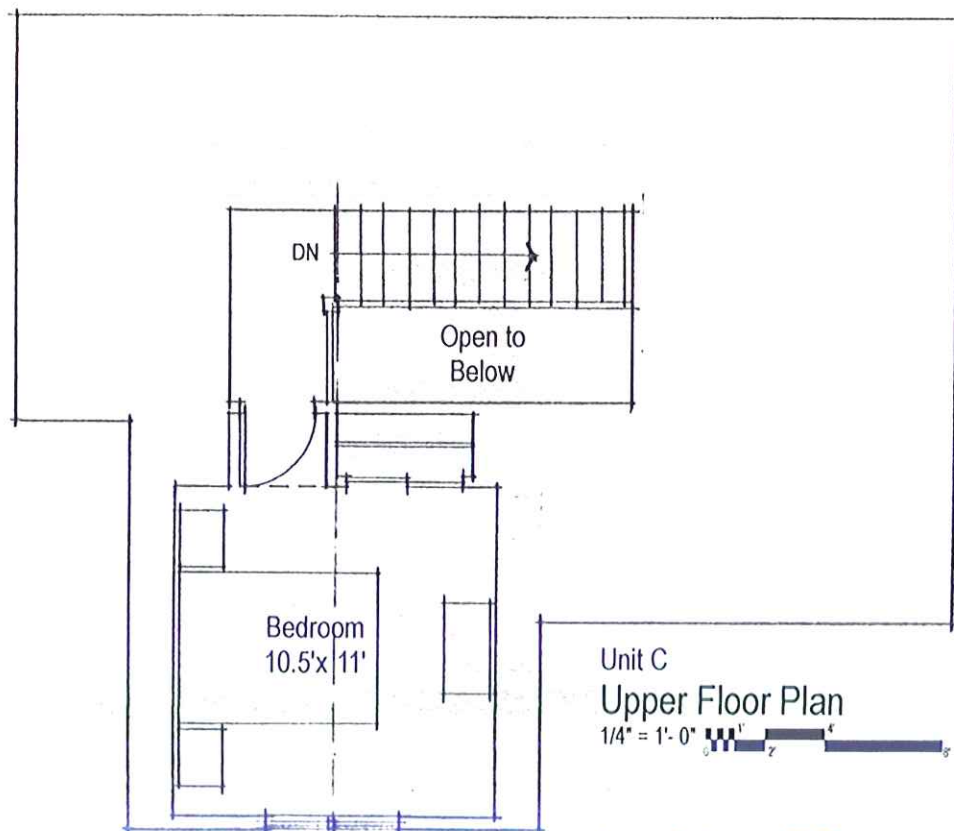
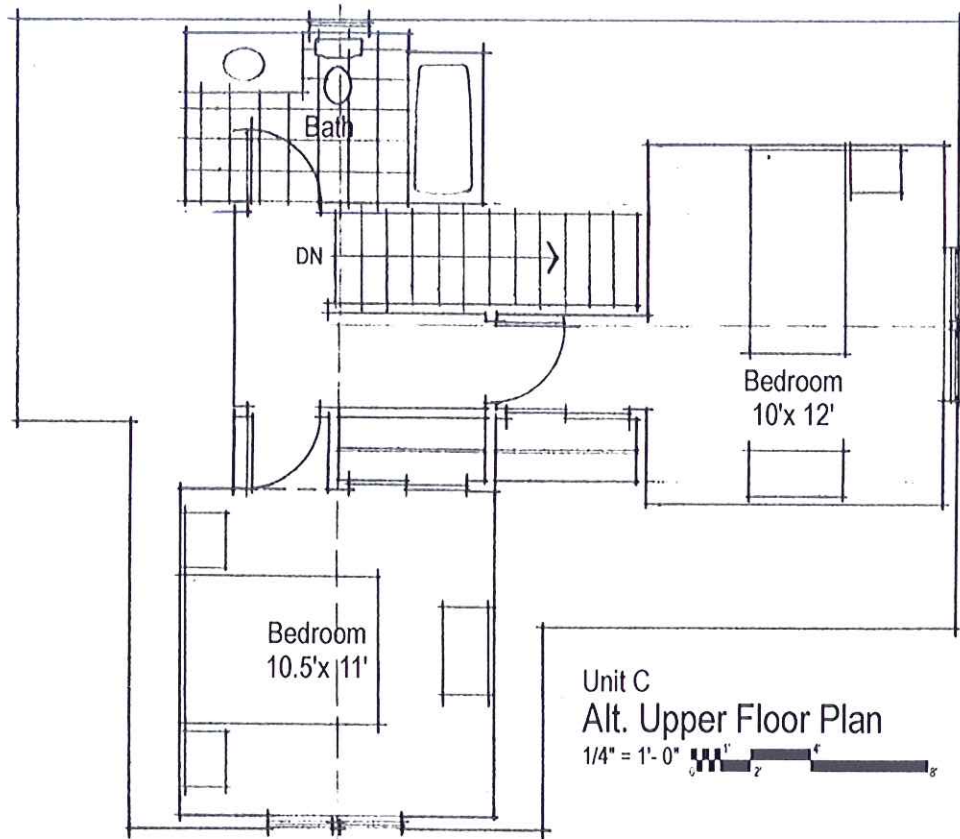
Unit C
 Front Elevation

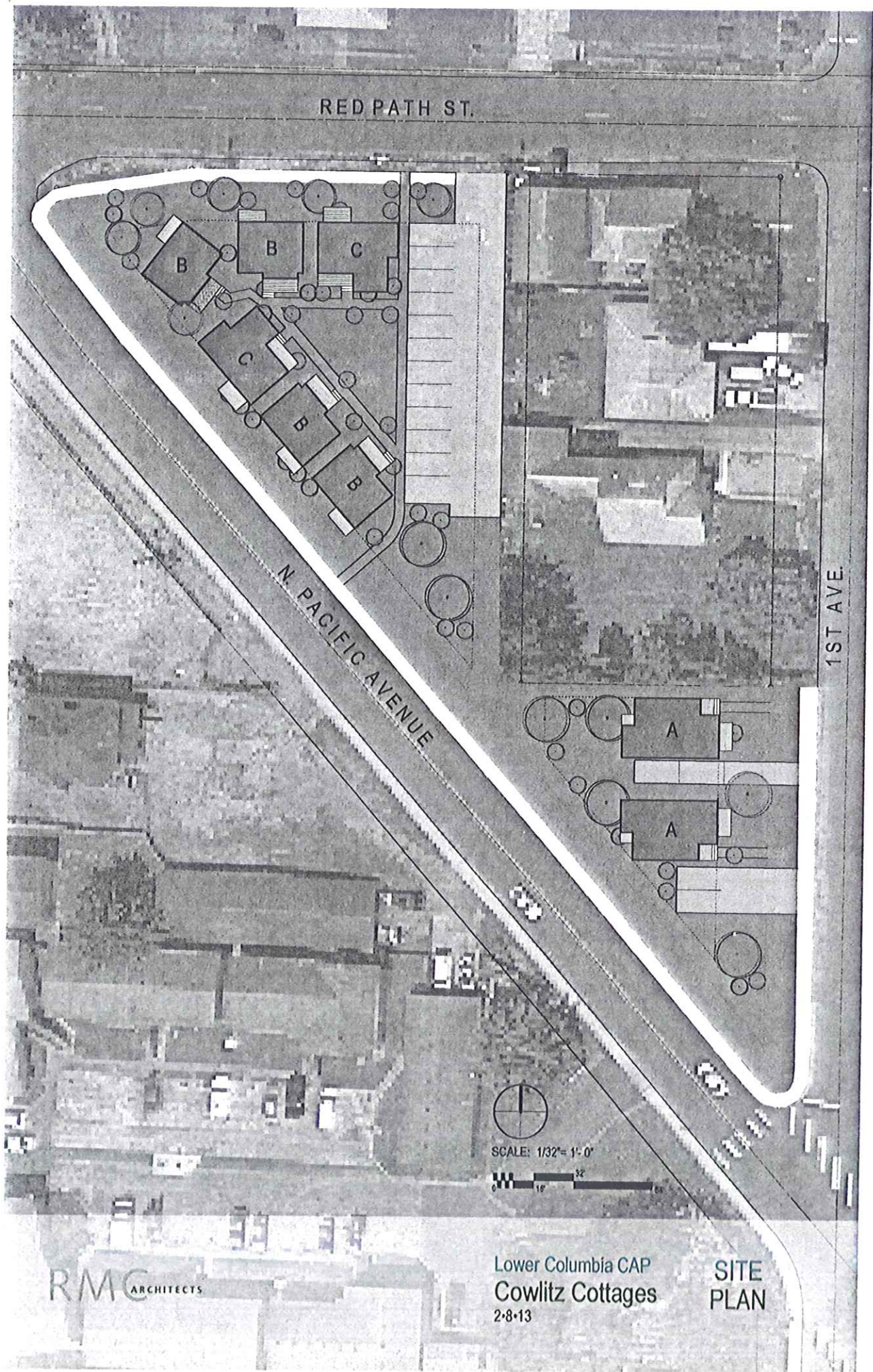
1/4" = 1'-0"

RMC ARCHITECTS

Lower Columbia CAP
 Cowlitz Cottages
 2-8-13

4.0





RMC ARCHITECTS

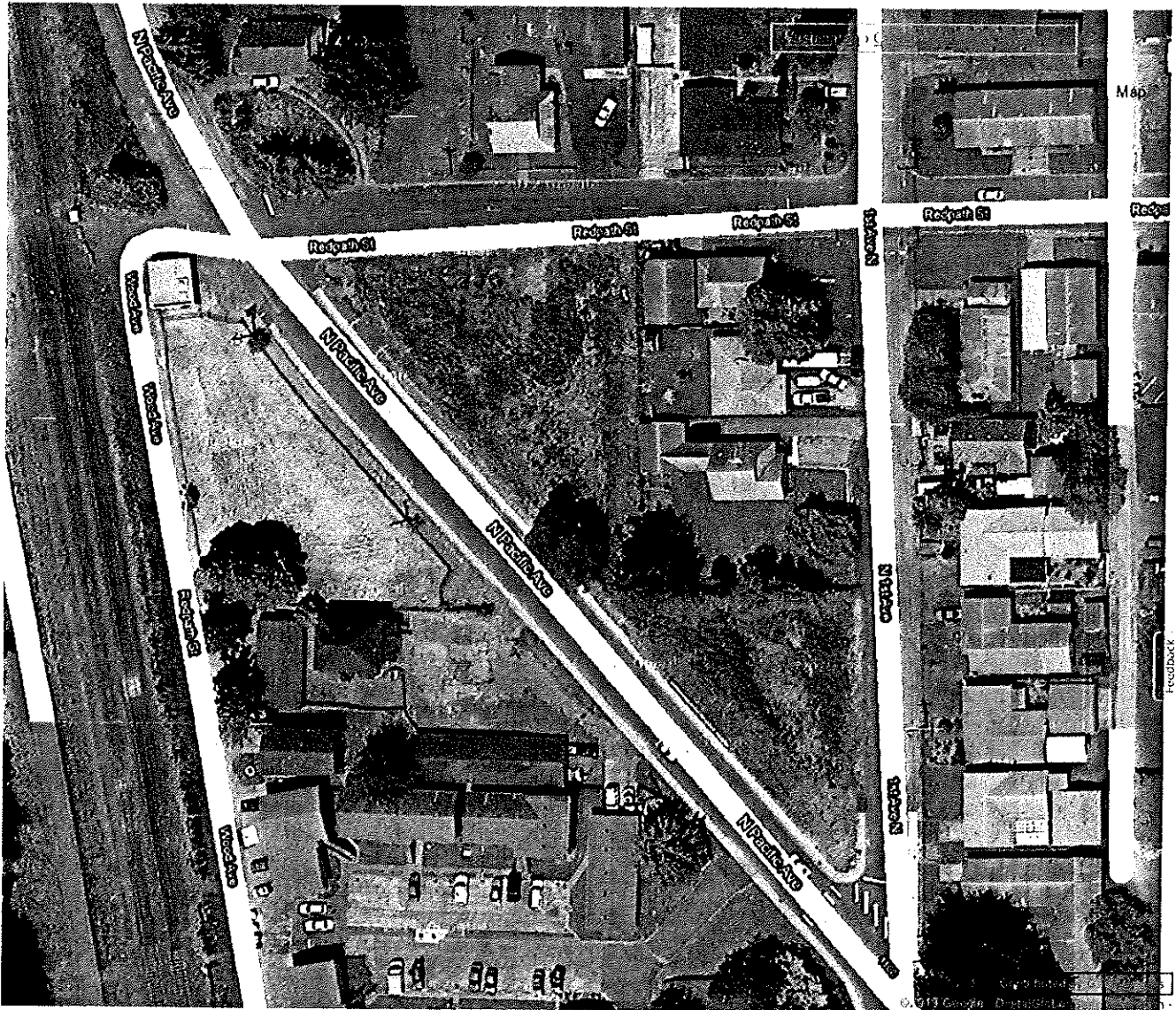
Lower Columbia CAP
Cowlitz Cottages
2-8-13

SITE
PLAN

ADD NEW

Edit ▾

Browse





City of Longview/City of Kelso

HOME Participating Jurisdiction Project Design Proposal - 2013

Applicant: <u>Foundation For the Challenged</u>	Contact Person: <u>Michael Pollowitz</u>
Title: <u>Fran Wesseling, Executive Director</u>	Title: <u>Development Consultant</u>
Address: <u>5970 Wilcox Pl., Suite E</u>	Address: <u>P.O. Box 65206</u>
<u>Dublin, OH 43016-6808</u>	<u>Shoreline, WA 98155</u>
Phone: <u>614-923-6020</u>	Phone: <u>206-228-7275</u>
Fax: <u>614-389-4503</u>	Fax: <u>N/A</u>
E-mail: <u>fwesseling@ffcoho.org</u>	E-mail: <u>mpollowitz@gmail.com</u>

Non-Profit Status: NO ☐ Yes ☒ **IRS Tax Identification Number** 01-0619670

Location: ☐ Longview ☒ Kelso

Project Title: FFC Homes VIII

HOME Funding Requested: \$ \$45,000

Project Description

1. Give a *brief* summary of your project (under 101 words):

The Foundation For the Challenged (FFC) is proposing to purchase a house or duplex with a total of four bedrooms to rent to extremely low-income individuals with a developmental disability. The home will be remodeled to meet or exceed ADA accessibility requirements. The 24/7 support services will be provided by Life Works and funded by the Division of Developmental Disabilities (DDD).

2. Describe the project noting the problem(s) or opportunity(s) that will be addressed.

The problem that will be addressed by this project is to reduce the burdensome rent that the proposed tenants are currently paying independently for their market-rate housing. The proposed group home setting will lower their rent, which will then provide money for other living expenses.

3. List the specific HOME objective information from the "5 year Strategic Plan" within the 2009-2013 Longview-Kelso Consolidated Plan. (See website information under Instructions).

Consolidated Plan Objective Code and Number: DH-3.4

Consolidated Plan Objective Title: Expand the supply of housing resources for renters earning up to 50% of median income and for special needs populations by preventing the loss of existing subsidized



housing and purchasing affordable, private multi-family housing that becomes income restricted to low income tenants.

Consolidated Plan Objective Proposed Accomplishments & Outcomes: 13 Rental units preserved/acquired

This project will create 1 unit of group home housing.

Project Readiness

4. Describe what specific steps need to be completed before the project will be ready to proceed? (Projects must be under construction within 12 months of signing your HOME Contract or funding will be deobligated.)

FFC needs to be funded by the State Housing Trust Fund (HTF) to proceed forward. A Stage 1 application was submitted on 1/7/13. It is anticipated that the Stage 2 application will be due in August with a decision in Nov or Dec. FFC has been working closely with DDD and this project is one of their highest priorities. The initial tenants have already been identified by Life Works.

5. Please list start and completion date by Month, Day and Year:

Complete the "Project Timeline" (included at the end of this application) detailing project tasks and dates. This will be a part of your contract goals should your project be selected.

Project Start Date after Nov. 1st (mm-dd-yyyy)	01/15/2014
Project Completion Date (mm-dd-yyyy)	07/31/2014

Problem Impact and Severity

6. How will this project increase housing affordability for rentals or home ownership? What reductions in cost of rent or a mortgage would be realized? What rents will you charge for each one, two, and three bedroom when the project is complete? (Please detail from your attached ProForma.)

FFC will be purchasing only a vacant or owner-occupied home and will make a 40-year commitment to renting to extremely low-income individuals with a developmental disability whose income is at or below 30% of the area median. Rent will be set according to HOME rules for group home settings.

7. How does this housing project create a better living environment for residents? Have local, county, or state authorities noted the severity of the problem? Note building, public health or/and safety issues.

The house will be remodeled to meet the health and safety needs of the tenants. Their need for a level of accessibility and reinforced building materials will address both of these concerns. Given their limited



monthly income, the affordable rents will provide the tenants more of an opportunity to personalize their home and enjoy more community outings with their remaining income.

As one of the safety features, FFC intends to install a fire retardant sprinkler system that will be monitored 24/7 and is dialed into the fire department.

DDD has identified the Kelso area and this project in particular as one of their highest priorities for the development of affordable, accessible housing.

8. List similar projects or programs your agency has, and other agencies have, in place to address this problem in the community. List agencies, funding sources and amounts. List the number of families housed under each of these programs.

Although FFC owns over (90) homes providing affordable, accessible housing to people with developmental disabilities, none of these homes are located in Longview.

Life Works owns and operates the Kelso Group Home at 922 Cedar Street that serves 9 adults with developmental disabilities who need housing and service supports.. This home was originally developed by Cowlitz County in 1980. The initial funding of \$60,390 was from a State Referendum 29 grant. Extensive remodeling was completed using a State Housing Trust Fund grant in 2006 for \$358,106.

Life Works also provides supported living services to four clients in a group home located at 1111 11th Ave in Kelso that is owned by the Lower Columbia Action Program. The home did receive HOME funding from the City of Kelso for an ADA bathroom.

Solution

Project Development

9. Did you attempt to collaborate the development of this project with other agencies? Which agencies were contacted and what was the outcome?

FFC is collaborating with DDD and Life Works in the development of this project. FFC is acting in the capacity of developer, owner, and property manager. Life Works will continue to provide the tenants their 24/7 services and DDD will continue to fund these services.

10. How do you propose to solve the problem? Please be specific, itemizing the various tasks you will undertake.

€

FFC will enter into annual individual lease contracts with each tenant, track their income annually, submit rent and utility information for each home, and ensure that the pro-rated rent payment per tenant does not exceed the HOME High Rent as set annually by HUD.



11. List all persons who would be involved during the development of this project and describe their project responsibilities. (Include names, titles, phone and e-mail.) (Responsibilities should include grant administration, project manager, developing partnerships, acquisition, overseeing construction, maintaining records, client intake and eligibility, etc.)

Fran Wesseling, Executive Director of FFC, 614-923-6020, fwesseling@ffcohoio.org
Fran will have oversight of the entire project and will be executing all project related documents.

Michael Pollowitz, Development Consultant, 206-228-7275, mpollowitz@gmail.com
Michael will have the lead in writing the funding applications, coordinating with funders and Life Works, searching for a property, supporting the bid process for contractors, overseeing the remodeling, and ensuring the project is completed on-time and within budget.

David Scheiber, Property Manager, 206-852-5000, david-scheiber@comcast.net
David will be doing the initial tenant eligibility reviews, putting together the leases, and addressing any initial tenant or house-related problems at rent-up.

David Amerine, Chief Financial Officer of FFC, 614-923-6020, damerine@centene.com
Dave will be responsible for the fiscal management of the project including vouchering for funding, maintaining records, and the final close-out of grants.

Project Operation

12. Are you partnering with other organizations or businesses in this project? Will you have contracts for supportive services? What roles will each organization or business play after the project is completed? Please submit letters from partnering agencies and/or businesses as supporting documentation.

FFC is just acting in the capacity of developer, owner, and property manager. FFC is working with Life Works on this project. They currently are funded for and provide the 24/7 support and training services to the tenants identified for this project. They will maintain this role when the tenants move into the house. The Life Works Letter of Support is in attachment.

13. List all persons involved in the operation of this project when completed and describe their responsibilities. (Include names, titles, phone and e-mail.) (Responsibilities should include case management, day-to-day management, rent schedules for units, annual renter income review, partnerships in serving renters, etc., apartment management, and project owner.)

Fran Wesseling, Executive Director of FFC, 614-923-6020, fwesseling@ffcohoio.org
Fran will have on-going oversight of the house and will execute documents as needed.

Michael Pollowitz, Asset Manager, 206-228-7275, mpollowitz@gmail.com
Michael will be completing all funder related reports, be the liaison between the tenants and FFC, and supervise David, the Property Manager.

David Scheiber, Property Manager, 206-852-5000, david-scheiber@comcast.net

David will be the direct interface with tenants and Life Works around leases, repairs, responding to questions and problems, and overseeing the overall maintenance of the house.

David Amerine, Chief Financial Officer of FFC, 614-923-6020, damerine@centene.com

Dave will be responsible for the fiscal management of the house including budgeting, vouchering for funding, maintaining records, and reconciling the income & expenses.

14. Complete the Rental or Ownership Proforma and Marketing Plan (provided separately.) Summarize your marketing/public outreach that you will provide to inform the general community of this project? (Review the Marketing Plan information under the Underwriting Policies)

There is no Marketing Plan. One of the HTF contractual requirements is that DDD will be the referral entity for this house. Given the complexity of service funding and the importance of roommate matching, Life Works will work directly with DDD on future tenant referrals. FFC will enter into a Referral Agreement with DDD once this project is fully funded. These Referral Agreements are standard practice and FFC has an existing Agreement with DDD Region 2.

15. Describe your selection process for applicants to participate? How will disabled applicants be able to participate?

DDD and Life Works will refer an eligible tenant(s) as vacancies occur. FFC will review tenants based on their rental application and funder eligibility requirements.

DDD and Life Works both incorporate philosophies that maximize the rights and responsibilities of people with developmental disabilities to participate in and make decisions about events that affect their lives. This housing opportunity will be another extension of this philosophy.

16. What other short-term and long-term outcomes will result from the project?

This project offers tenants long-term, stable housing that is both affordable and accessible. The specific health and safety needs of the tenants will be addressed in developing the remodeling scope of work. The affordable rents will provide opportunities for the tenants to use their additional income to improve their quality of life.

17. What activities would still need to be undertaken after the project is completed in order for the problem to be fully addressed? Quantify where possible.

FFC believes that the problem of affordable, accessible housing will be addressed for the initial tenants once the project is completed and the tenants move in. Longer term, this home will continue to be an affordable housing resource for 40 years.

Households Benefiting

**18. What is the number of low-income households that will benefit from this project?
Use current year HUD Income Limits for family size.**

At or below 30% of Median Income: 4

At or below 50% of Median Income: _____

At or below 80% of Median Income: _____

TOTAL Number of Households: 4

Budget

19. Explain why HOME funds are appropriate for your project. If this application is for a program currently receiving HOME funding, discuss what action you have taken and what other funding sources have been investigated in the last 12 months to reduce your organization's dependence on City of Longview (or City of Kelso) HOME funds.

In a discussion about the project with Julie Hourcle' of CDD and Marti Johnson of Life Works, the suggestion was that HOME funding was the most appropriate match for this project.

20. What agency funding will you commit to this project? If none, why not? (A 25% match of non-federal funding is desired.)

FFC is committing \$3,000 to the project for the Operating Reserves.

21. If one or more funding sources listed below is not realized, what impact would this have on your project? Explain what changes would be considered to its scope or design, including the number of families housed, structure(s) constructed, delays in construction start date, etc. and whether your project would exist without HOME funding.

With approximately 89% of the budget coming from the HTF, this project cannot move forward without their funding support. FFC has already submitted a Stage 1 application to the HTF on 1/7/2013. The anticipated submittal of the Stage 2 application will be in August.

22. Complete and attach the separate HOME Budget Form.

Complete the budget form showing all sources and uses of funds related to your project.

23. Sources and Uses Fund Statement / Budget Form Narrative

a. Please list all funding sources, intended uses, and amounts from your budget form.

Identify each source as Federal, State, Local, or Private.

- The State Housing Trust Fund is state bond derived funding that is being requested to provide \$350,255. The funding will be used for every aspect of the project's development with the exception of the Operating Reserves.

- The City of Longview is being requested to provide \$45,000 in federal HOME funding to be used for the partial costs of Acquisition and the Developer Fee.
- FFC will be providing \$3,000 of private funding that will be used for Operating Reserves.

b. Identify which sources are proposed and which sources are committed.

The HTF and the City of Kelso funding are both proposed. The FFC funding is committed.

c. Supporting Documentation: List and attach "Sources of Funds" supporting documentation noted under Question #25.

d. Supporting Documentation: List and attach "Uses of Funds" supporting documentation noted under Question #25.

24. Please list the amount of private, local, and State (non-federal) matching funds which will be designated towards the 25% match per HOME categories below:

\$ _____ A. Cash Contributions
 \$ _____ B. Forgone, Taxes, Fees and Charge
 \$ _____ C. Donated Land or Other Real Property
 \$ _____ D. On Site and Off-Site Infrastructure
 \$ _____ E 1 Donated Site Preparation
 \$ _____ E 2 Donated Construction Material
 \$ _____ E 3 Donated Labor (other than homeowner): Number or hours _____ times \$10 per hour
 \$ _____ E1 Sweat Equity (homeowner only): Number or hours _____ times \$10 per hour
 \$ 350,255 F. Proceeds from Affordable Housing Bonds
 \$ _____ G. Supportive Services – Type _____
 \$ _____ G1 Homebuyer Counseling Services
 \$ _____ Estimated/Unknown at this time. Type : _____

Attachments

25. Required Attachments

- € **Project Timeline** (Note: Funding is available in November following project submittal. Please plan accordingly.)
- € **Project Budget** (Note: Show all funding sources and note if they are committed or not committed. List date when commitment will be confirmed.)
- € **Detailed Cost Estimates** (Specific costs for project itemized to show project cost analysis.)
- € **Project Documentation** (See below)
- € **HOME Performa: Rental or Homeowner Affordability**
- € **Market Analysis** (separate form)
- € **Marketing Plan** (as described in the Underwriting Policies and Procedures.)
- € **Developer Development Capacity Certification**
- € **Agency Financial Audit by e-mail** (Most current independent audit.)

Project Documentation to support your project. (Provide in order listed. Staff may limit the number of documents to the most important for Council to base its decision.)

- **Sources of Funds**

1. Include commitment letters with all terms and conditions for all mortgages, loans, grants, subordination agreements, private fundraising, bridge (interim) loans and investment tax credits (historical low-income, if applicable);

In attachment

2. Provide a formal Certification letter signed by the Agency Director or Owner listing the amounts and type of all governmental assistance (Federal, State, and Local) which will be used in this project.

In attachment

3. If you (the applicant) are a partnership, or will enter into a partnership to undertake this project (including services) provide a copy of the partnership agreement, which will indicate the cash contributions by the general partner(s) and/or limited partner(s).

N/A

- **Uses of Funds N/A**

1. Earnest money agreement, option or closing statement for land and/or building(s);
2. Construction cost estimate
3. Construction contract or preliminary (bids)
4. Agreements governing the various reserves which are capitalized at closing (to verify that the reserves cannot be withdrawn later as fees or distributions.)
5. Appraisal (to substantiate the value of the land and the value of the property after rehabilitation or the structure being built)
6. If low-income tax credits are utilized, provide documentation on the syndication costs (legal, accounting, tax opinion, etc.) from the organization/individuals who will syndicate and sell the offering to ensure that the project can support the fees necessary to syndicate/fund the project. All assumptions should be verified in the supporting documentation.

- Maps, architectural renderings and elevations, floor plans
- Surveys and other professional reports
- Letters from local, state, or federal agencies directing the repair or creation of a specific housing project
- Letters attesting to the subject problem
- Letters of support

In attachment from Life Works

- Current news articles
- Engineering, soils, or environmental reports



Project Timeline

[illegible]

HOME Program Longview- Kelso HOME Consortium

Questions? Technical Assistance? Contact Julie Hourcle' at 360.442.5081, or by e-mail at: julie.hourcle@mylongview.com



Marketing Plan: A marketing plan shall be completed to show how the project will be marketed publically to Longview and/or Kelso residents through the public media, professional realtor or/and real estate marketing staff for at least 90 days or until the unit(s) are fully sold/rented. The advertising methods used to reach buyers/renters, both paid and free, and direct promotion through local organizations, stakeholders and social media can be used. The message to buyers should note that the value/sales ore rental price is competitive and the home's features fit the target buyer or renter. The agency must follow its marketing plan and provide documentation of its public marketing effort prior to selecting its recipient(s.)

Life Works recognizes the critical importance of the Division of Developmental Disabilities (DDD) in the lives of people with developmental disabilities and their family members. DDD provides the essential funding for and contracts with Life Works to provide the necessary residential support services. Given this partnership, Life Works and DDD will work jointly to implement a Tenant Selection Process that includes:

- identifying potential tenants that have a developmental disability;
- through a tenant application and/or screening process qualify for the housing based on funder eligibility criteria;
- have sufficient service funding to ensure their health and safety; and
- where appropriate, there is a reasonable expectation of house-mate compatibility.

Longview/Kelso Home Consortium

PROJECT BUDGET AND FUNDING SOURCES

	Kelso HOME Source 1	HTF Source 2	FFC Source 3	Source 4	Source 5	Total Cost	How costs determined (bid, est.)
Commitment Dates	2013						
ACQUISITION							
Purchase Price - Land						\$0.00	
Purchase Price - Bldg.	40,500	219,500				\$260,000.00	Market Study
Transaction Taxes						\$0.00	
Closing/Recording Fees		1,300				\$1,300.00	prior projects
Title Insurance/Binder Fees		1,200				\$1,200.00	prior projects
Appraisal		500				\$500.00	prior projects
Other:						\$0.00	
Subtotal	40,500.00	222,500.00	0.00	0.00	0.00	\$263,000.00	
PREDEVELOPMENT							
Architect		6,000				\$6,000.00	prior projects
Engineering						\$0.00	
Legal Fees						\$0.00	
Environmental Review		2,000				\$2,000.00	prior projects
Preconstruction Inspection		600				\$600.00	prior projects
Other:						\$0.00	
Subtotal	0.00	8,600.00	0.00	0.00	0.00	\$8,600.00	
CONSTRUCTION COSTS							
New Construction						\$0.00	
Rehabilitation		55,000				\$55,000.00	prior projects
Infrastructure on site						\$0.00	
Energy Related Improvemts						\$0.00	
Repair/Replace Major Syst.						\$0.00	
Lead Based Paint /Haz Mat						\$0.00	
Access for Disabled						\$0.00	
Securing of Building						\$0.00	
Demolition						\$0.00	
Utility Connections						\$0.00	
Permits & Fees						\$0.00	
Construction Loan Fees						\$0.00	
Construction Inspections						\$0.00	
Sales Tax						\$0.00	
Insurance/Bond/Surety Fees		300				\$300.00	prior projects
Contingency		8,250				\$8,250.00	HTF requirement
Other: Utilities		600				\$600.00	prior projects
Subtotal	0.00	64,150.00	0.00	0.00	0.00	\$64,150.00	
OTHER							
Home Buyer Counseling						\$0.00	
Credit Report Fees						\$0.00	
Operating Deficit Reserves						\$0.00	
Relocation Costs						\$0.00	
Operating Reserves			3,000			\$3,000.00	prior projects
Loan Fees		7,005				\$7,005.00	2% HTF fee
Tenant Rental Assistance						\$0.00	
Affirmative Marketing						\$0.00	
Project Management		10,000				\$10,000.00	prior projects
Developer Fees	4,500	35,000				\$39,500.00	10% of award
Other: Accounting/Audit		1,000				\$1,000.00	prior projects
Other: Real Estate Tax		2,000				\$2,000.00	Market Study
Subtotal	4,500.00	55,005.00	3,000.00	0.00	0.00	\$62,505.00	
HOME TOTAL	\$45,000.00	\$350,255.00	\$3,000.00	\$0.00	\$0.00	\$398,255.00	
Date: 3-4-2013							
Sponsor: Foundation For the Challenged				Project Address: TBD			

Sponsor Name:	Foundation For the Challenged
Project Name:	FFC Homes VIII

R E S I D E N T I A L			
Total Project Cost	HTF	City of Kelso HOME	FFC

Acquisition Costs:

Land	260,000	\$ 219,500.00	\$ 40,500.00	
Closing, Title & Recording Costs	2,500	\$ 2,500.00		
SUBTOTAL	\$ 262,500	\$ 222,000	\$ 40,500	

Construction:

	-			
Rehabilitation	55,000	55,000		
Rehab Contingency	8,250	8,250		
	-			
SUBTOTAL	\$ 63,250	\$ 63,250		

Soft Costs:

Buyer's Appraisal	500	500		
Architect	6,000	6,000		
Environmental Assessment	2,000	2,000		
Developer Fee	34,500	30,000	4,500	
Project Management	10,000	10,000		
Building Inspections	600	600		
	-			
SUBTOTAL	\$ 53,600	\$ 49,100	\$ 4,500	

Permanent Financing

State HTF Fees	6,720	6,720		
	-			
SUBTOTAL	\$ 6,720	\$ 6,720		

Capitalized Reserves

Operating Reserves	3,000			3,000
Replacement Reserves	-			
	-			
SUBTOTAL	\$ 3,000	\$ -		\$ 3,000

Other Development Costs

Real Estate Tax	2,000	2,000		
Insurance	300	300		
Development Period Utilities	600	600		
Accounting/Audit	1,000	1,000		
	-			
SUBTOTAL	\$ 3,900	\$ 3,900		

HOME Proforma

Assumptions:

Cost: (total investment)	\$398,255.00
Less: First Loan (amount)	\$350,255.00
Less: Second Loan (amount)	\$
Cash (equity) required	\$3,000.00
HOME Request	\$45,000.00

Step 1: Determine the Net Operating Income

Gross Rental Income (Complete Rent Schedule below)	\$12,672.00
Less: Vacancy (5%)	\$637.00
Effective Gross Income (EGI)	\$12,035.00
Less Operating Expenses	\$10,500.00
Maintenance	\$2,000.00
Property Taxes	\$0.00
Insurance	\$700.00
Utility Service: (Paid by Owner)	\$4,200.00
Electricity	\$1,800.00
Natural Gas	\$0.00
Water	\$600.00
Sewer	\$360.00
Solid Waste	\$600.00
Stormwater Utility	\$240.00
Groundskeeping	\$600.00
Property Management Fees at (Insert %)	\$3,600.00
Social Service Administrative Fees at (Insert %)	\$0.00
Net Operating Income (NOI)	\$1,535.00

Step 2: Compute the Cash on Return

Net Operating Income (NOI)	\$1,535.00
Debt Service (First Loan)	\$0.00
Debt Service (Second Loan)	\$
Total Debt Service	0
Cash Flow	\$1,535.00

$$\frac{\text{Cash Flow}}{\text{Equity}} = \frac{\text{N/A}}{\text{N/A}} = \text{Cash on Cash Return} = \text{N/A \%}$$

Rental Schedule

Size	No. of Units	Monthly Rent/Unit	Total Rent	List Utilities to be paid by Tenant (Electricity, Gas, etc)
1 -Bed				
1- Bed				
2-Bed				
3- Bed				
4-Bed	1	\$1,056	12,672	all except telephone & cable
Gross Rental Income			12,672	



February 25, 2013 *Helping people make life work.*

Kelso Home Program
Kelso, WA 98626

Re: Home Application for low income housing

Dear Council Members.

Life Works has been serving people with developmental and intellectual disabilities in our community for thirty four years. These individuals are typically in the very low income category and are renting places to live in our community at market rates. They often have to live with unrelated people in order to share living expenses and in order to receive the supported living services that the state is contracting with us to provide. With this arrangement, most individuals have very little money left for food, clothing, and an occasional recreational activity.

With this project, the people we support will only pay one third of their income for their rent and utilities which will significantly improve their lives. While many of them struggle to find jobs to make ends meet, this project will reduce their costs and provide them with safe, affordable housing.

Life Works will continue to provide the twenty four hours per day, seven days per week support for the individuals who will move into this housing. We have identified current clients who are most in need of the configuration of housing being proposed in this grant request. History tells us that once these individuals make this their home; they will live there for many years.

In addition to providing supported services, Life Works will take on a role of collecting and paying rents, notifying the rental agency of maintenance needs, assisting tenants to keep the property presentable, and assisting tenants to keep the home clean and safe.

Thank you for considering this very important project. With this grant, you will be making an important contribution to the community's low income housing stock and to the lives of individuals who will have the opportunity to live here.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marti Johnson", is written over a horizontal line.

Marti Johnson, CEO



choice • innovation • transformation

The Foundation For the Challenged certifies their intent to apply for and use \$350,255 from the State Housing Trust Fund to support the development of FFC Homes VIII in Kelso.

Sincerely,

A handwritten signature in dark ink, appearing to read "Fran K. Wesseling", written in a cursive style.

Fran Wesseling
Executive Director

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Public Hearing for the Consortium Community
Housing Development Organization (CHDO)
Request for Funding

Agenda Item: _____

Dept. of Origin: Community Development

For Agenda of: April 16, 2013

Cost of Item: _____

City Manager: Steve Taylor

PRESENTED BY:

Nancy Malone
Planning Manager

AGENDA ITEM ATTACHMENTS:

2013 Consortium Community Housing Development Organization (CHDO) Request for Funding

SUMMARY STATEMENT:

This Public Hearing will be held to review and consider CHDO 5% Operating Costs To support the Consortium's Community Housing Development Organization (CHDO) Lower Columbia Community Action Program (Housing and Energy Division) operating and capacity building costs including salaries and benefits, training, department pro-rated cost allocations (rent, phone, etc.), equipment, materials, supplies and tools.

Consortium Community Housing Development Organization (CHDO) Request for Funding

CHDO 5% Operating Costs

To support the Consortium's Community Housing Development Organization (CHDO) Lower Columbia Community Action Program (Housing and Energy Division) operating and capacity building costs including salaries and benefits, training, department pro-rated cost allocations (rent, phone, etc.), equipment, materials, supplies and tools. The amount will be 5% of the 2013 HOME allocation.

Lower Columbia Community Action Program **\$11,831 estimated**

Requires approval from Consortium Partners (Longview and Kelso City Councils)

RECOMMENDED ACTION:

Staff recommends council to make a motion to allocate the CHDO 5%-Operating Costs funding for the above noted project as agreed by Council.

Longview-Kelso Consortium HOME Entitlement Funding
Estimated 2013 (showing 10% reduction from 2012)- as of March 20, 2013 w/5% CHDO Operating

2013

HOME Federal Allocation		\$	236,620.00
Consortium Administration			23,662.00
Consortium Admin 10%	23,662.00		
CHDO Set-Aside 15%			35,493.00
CHDO Operating Funds 5% (Requested)			11,831.00
Longview Program Allocation			274,792.65
Base Allocation 75%	\$	124,225.50	
Rollover from 2012		111,873.30	
Deobligated:			
#102 LV Drug Ct		4,711.00	
#106 SHARE		28,815.85	
#123 LV TBRA		5,167.00	
Kelso Program Allocation			90,515.50
Base Allocation 25%	\$	41,408.50	
Rollover from 2012		49,087.00	
Deobligated			
#118 KL Drug Court		20.00	

Longview Projects 2013

(Public Hearing - April 25, 2013)

Available:	Requested	Approved	Rollover to 2013
\$ 274,792.65			\$ -
	\$ 144,000.00		
	45,000.00		
	62,040.00	-	
Total	\$ 251,040.00	\$ -	\$ 274,792.65

Kelso Projects 2013

(Public Hearing - April 16, 2013)

Available:	Requested	Approved	Rollover to 2013
\$ 90,515.50			\$ -
	48,473.00		
	45,000.00		
Total	\$ 93,473.00	\$ -	\$ 90,515.50

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Public Hearing for Resolution to amend the current
Six-Year Transportation Improvement Program
(2013-2018)

Agenda Item: _____

Dept. of Origin: Community Dev/Engineering

For Agenda of: April 16, 2013

Cost of Item: _____

PRESENTED BY:

Michael Kardas, P.E.
Community Development Director/City Engineer

City Manager: Steve Taylor

AGENDA ITEM ATTACHMENTS:**SUMMARY STATEMENT:**

A public hearing is required to update the Six-Year Transportation Improvement Program.

Details have been made available in the Council agenda packet, under Action Items.

RECOMMENDED ACTION:

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Engineering Services for 2013
Water and Sewer Projects

Agenda Item: _____

Dept. of Origin: Community Dev/Engineering

For Agenda of: April 16, 2013

PRESENTED BY:

Michael G. Kardas, P.E.
Community Development Director/City Engineer

Cost of Item: \$179,500

City Manager: Steve Taylor

AGENDA ITEM ATTACHEMENTS:

Consultant Agreement with Gibbs & Olson

SUMMARY STATEMENT:

This work will provide survey, design, and construction observation services for five sewer and three water construction projects. The sewer projects are a combination of: two identified in the Capital Improvement Plan (Catlin and Clark Pump Replacements), two recently identified as high risk for failure (12th and Harris, Ayers Street Sewer Replacement), and one maintenance project (manhole linings). The water projects include: topographic surveys, two projects city staff will prepare for construction (Clydesdale Court and Sunrise water line replacements), and the Longview Intertie upgrade currently identified in the Capital Improvement Plan.

Funding for this professional services contract and the construction of these projects is available in the Water and Sewer Capital Funds.

RECOMMENDED ACTION:

Staff recommends council make a motion to approve the execution of the consultant contract with Gibbs & Olson, Inc. in the not to exceed amount of \$179,500.



April 8, 2013

Mr. Michael Kardas, P.E.
City Engineer
City of Kelso
203 South Pacific Avenue
Kelso, WA 98626

RE: Agreement for Engineering Services – City of Kelso Sewer and Water Improvement Projects

Dear Mr. Kardas:

Gibbs & Olson appreciates the opportunity to provide the City of Kelso with Engineering Services for the City of Kelso Sewer and Water Improvement Projects.

This Letter Agreement together with Exhibits A, B, C and D comprise our proposed agreement for engineering services related to this project.

AGREEMENT

SCOPE OF SERVICES

Our services for the project are presented in the attached Exhibit A - Scope of Work.

SCHEDULE

The preliminary schedule for the City of Kelso Sewer and Water Improvement Projects is indicated below. The schedule shows starting work on April 17, 2013. Any delay to the starting day of April 17, 2013 will result in a day for day delay in completing the work.

Sewer Improvement Projects for Construction in 2013 (12th and Harris Sewer Line Replacement and Ayers Street Sewer Line Replacement)

Authorization to Proceed	April 17, 2013
Gather and Review Background Data	April 18, 2013 – April 19, 2013
Obtain topographic field survey	April 18, 2013 – April 26, 2013
Prepare 50% Drawings and Specifications	April 29, 2013 – May 17, 2013
City Review of 50% documents	May 20, 2013 – May 24, 2013
Prepare 90% Drawings and Specifications	May 27, 2013 – June 14, 2013
City Review of 90% documents	June 17, 2013 – June 21, 2013
Prepare 100% Drawings and Specifications	June 24, 2013 – June 28, 2013
Prepare Permit Applications	May 20, 2013 – May 24, 2013
Advertise for Bids - Sewer	July 3, 2013 – July 26, 2013
Construction - Sewer	September 9, 2013 – October 18, 2013

Water Improvement Projects for Construction in 2014

Authorization to Proceed	April 17, 2013
Gather and Review Background Data	April 18, 2013 – April 19, 2013
Obtain topographic field survey	April 18, 2013 – April 26, 2013
Prepare 50% Drawings and Specifications	June 3, 2013 – June 28, 2013
City Review of 50% documents	July 1, 2013 – July 12, 2013
Permits	July 15, 2013 – October 31, 2013
Prepare 90% Drawings and Specifications	November 4, 2013 – December 31, 2013
City Review of 90% documents	January 6, 2014 – January 17, 2014
Prepare 100% Drawings and Specifications	January 20, 2014 – February 14, 2014
Advertise for Bids	March 12, 2014 – April 4, 2014
Construction	May 19, 2014 – June 13, 2014

The sewer manhole and pump station design work will be completed during the sewer improvement design schedule. We anticipate construction of these projects will occur during the fall of 2013 or as funding allows.

BUDGET

We suggest a total budget for this project be set at \$179,500.00. The proposed budget is presented further detail in the attached Exhibit B. We agree not to exceed this budgeted amount without prior authorization by the City of Kelso. We will submit progress billings for payment, which will include a brief description of the work completed during that billing period. Gibbs & Olson's 2013 standard rate schedule is included as part of Exhibit C.

CONDITIONS OF EMPLOYMENT

The Conditions of Employment for this contract are in Exhibit D.

We propose that this letter together with attached Exhibits A, B, C and D be our Agreement of Services in this project. If you have any questions or would like to discuss this further, please feel free to give me a call. If however, it is agreeable, we would appreciate receiving a signed and dated copy for our file and we will begin work immediately.

Sincerely,
GIBBS & OLSON, INC.

By: Richard A. Gushman
Richard A. Gushman, President

APPROVED AS TO
FORM AND CONTENT

ACCEPTED AND AUTHORIZED THIS

_____ DAY OF _____ 2013

Attorney

CITY OF KELSO

Date

By: _____
Steve Taylor, City Manager

Attachments

Exhibit A - Scope of Work

Exhibit B – Budget

Exhibit C – Standard Rate Schedule

Exhibit D - Conditions of Employment

EXHIBIT A

SCOPE OF WORK CITY OF KELSO, WASHINGTON SEWER IMPROVEMENT PROJECTS

PROJECT DESCRIPTION

The scope of work includes design phase, bid advertisement and award phase and construction phase engineering services for sewer improvements within the City of Kelso. The following is a summary of the work to be completed under this project:

1. **12th and Harris Sewer Line Replacement** - Location: MH K-2:13 to MH K-2:9, From the intersection of 12th and Harris, west along Harris Street approximately 620 feet. Replace approximately 620 linear feet of sewer line with new 12" diameter PVC sewer line. Replace approximately 25 sewer lateral connections.
2. **Ayers Street Sewer Line Replacement** – Location: MH K-2:24 to MH K-2:25, From the intersection of 12th and Ayers Street, west approximately 950 feet along Ayers Street, then north on 7th Avenue approximately 250 feet. Replace approximately 1,200 linear feet of sewer line. Replace approximately 28 sewer lateral connections.
3. **Manhole Lining** – Research and prepare specification to line 25 manholes with the highest I&I rates at various locations as selected by the City. This work does not include surveying.
4. **Catlin Sewer Pump Station** – Prepare procurement contract documents for the City to bid and purchase replacement sewer pumps for the Catlin Sewer Pump Station.
5. **Clark Sewer Pump Station** – Prepare procurement contract documents for the City to bid and purchase replacement sewer pumps for the Catlin Sewer Pump Station.

Water Projects

6. **Sunrise – Minor Road to Dead-end Water Line Replacement** – Location: CIP W-48, Along Sunrise Street from Minor Road to the dead end on Sunrise. Complete survey work only for City staff to design replacement of approximately 650 linear feet of existing 2" water line with new 8" DI water line.
7. **Clydesdale Court Water Line Replacement** – Location: CIP W-11, Along Clydesdale Court from Harris Street to dead end on Clydesdale. Complete survey work only for City staff to design replacement of approximately 300 linear feet of 2" water line with new 6" DI water line.
8. **Longview Intertie Upsize Water Line Replacement** – Location: CIP W-27, Along West Side Highway from Fishers Lane to the Cowlitz Way Bridge. Replace approximately 1,200 linear feet of the 8" cast iron intertie water line pipe with 12" DI along West Side Highway from Fishers Lane to the Cowlitz Way Bridge.

RELATIONSHIP

For the purposes of this contract, the OWNER shall be the City of Kelso, Washington and the ENGINEER shall be Gibbs & Olson, Inc., Longview, Washington (G&O).

MEETINGS AND PROJECT MANAGEMENT

ENGINEER shall provide project administration and project management consisting of the following:

- a) General project administration.
- b) Monthly narrative progress reports during project as requested.

INFORMATION TO BE PROVIDED TO ENGINEER BY OWNER

To assist in a timely and thorough preparation of the drawings and contract documents, the OWNER shall provide the following items and services to the ENGINEER as available:

1. As-constructed drawings and specifications of existing pipe lines.
2. Current City Construction Standards.
3. Timely response to questions and review of drawings and contract documents.
4. Pothole of City utilities as needed.

SERVICES NOT INCLUDED IN THIS SCOPE OF WORK

The following services are not included in the scope of work for these projects. ENGINEER has assumed:

1. Geotechnical engineering work is not required.
2. The OWNER will obtain all required private easements.
3. Electrical engineering design services are not required.
4. All piping will be constructed underground and is not required to be exposed and cross the Cowlitz Way Bridge.

DESIGN PHASE ENGINEERING SERVICES

During the Design Phase, the ENGINEER shall prepare final contract documents to show the general scope, extent and character of the construction work to be furnished and performed by Contractor.

ENGINEER will provide survey data only on water projects #6 and #7 listed above and will provide a technical specification only for the manhole lining project (project #3 listed above).

For sewer projects #1 and 2 listed above, the ENGINEER will prepare one set of Contract Documents and drawings. The drawings and Contract Documents will be prepared for the 12th and Harris sewer line (project #1 listed above), and the Ayers sewer line (project #2 listed above).

For water project #8 (Longview Intertie Upsize Water Line Replacement) listed above, the ENGINEER will prepare one set of Contract Documents and drawings.

ENGINEER will prepare an 8 1/2" x 11" vicinity map and Pump Procurement Documents for the Catlin sewer pump station (project #4 listed above) and the Clark sewer pump station (project #5 listed above). It is assumed the Documents will be for procurement of the pumps and guide rails and OWNER staff will perform installation of the new submersible pumps during the summer of 2013. ENGINEER will perform one site visit to both existing pump stations and provide a short letter report with a summary of the existing pump stations and electrical systems with recommendations for new pumps and any recommended electrical improvements if appropriate.

Final deliverables for the survey work associated with projects #6 and 7 will be a CAD drawing file showing the existing conditions and the rights-of-way. Horizontal datum will be NAD83/91 and vertical datum will be NAVD88. Final deliverables for the manhole lining project will be a technical specification section describing the work and products to be used to complete the manhole lining work.

Final deliverables for projects #1 and 2, and #8 will be complete advertisement ready original contract documents suitable for reproduction and distribution to prospective bidders and electronic copy of 100% design drawing in AutoCAD format as further described in Task 4 below.

Final deliverables for projects #7 and #8 will be a short letter report and pump procurement contract documents suitable for reproduction and distribution to pump suppliers. It is assumed no permits will be associated with the pump replacement projects #7 and #8.

Task 1 – Gather and review background data: If available, ENGINEER will gather and review as constructed drawings of the existing sewer lines, pump stations and any geotechnical investigation work that may have been done when the existing sewer lines were designed. The OWNER will provide copies of these documents.

Task 2 – Prepare summary letter report: ENGINEER will perform one site visit to the existing Clark and Catlin pump stations and provide a brief letter report summarizing the existing pump stations and electrical system with recommendations for new pumps and any recommended electrical equipment improvements is appropriate.

Task 3 – Prepare 50% Drawings and Specifications: Work under this task includes:

1. Calling for utility locates and obtaining field topographic survey to prepare sewer line plan and profile drawings as well as obtaining water project information for use by the OWNER.
2. Prepare 50% Design Drawings and Specifications: ENGINEER will prepare drawings and specifications for the project. As described above, it is anticipated that the sewer line projects will be divided into two (2) stand alone sets of Contract Documents and drawings. Drawings will be prepared in AutoCAD Civil3D 2013 and will incorporate both ENGINEER and City engineering

standards as appropriate.

It is anticipated the set of sewer project drawings will consist of up to eight (8) sheets including one cover sheet, up to four (4) plan and profile sheets and up to three (3) detail/general information sheets.

It is anticipated the set of water project drawings will consist of up to seven (7) sheets including one cover sheet, up to three (3) plan and profile sheets and up to three (3) detail/general information sheets.

It is anticipated that the Contract Documents for the sewer line projects, water line projects and the pump procurement document will each consist of approximately 50 pages. Contract documents will be prepared utilizing the City of Kelso standard upfront construction contract documents. Special provisions will be prepared using the 2012 WSDOT/APWA format with amendments.

3. Quality Control (QC) project review meetings with the OWNER and ENGINEER review team are scheduled for one (1) time during preparation of the 50% drawings and specifications for the Contract Documents and drawings and the pump procurement document.
4. ENGINEER will perform an in-house QC review of the design drawings near the 50% completion stage to ensure the documents are consistent in presentation of the design information. QC review comments will be incorporated into the design.
5. Two (2) sets of the 50% drawings and specifications will be submitted to the OWNER for review and comment. ENGINEER will respond to the comments in a response memo and will meet with the OWNER to review the comments and ENGINEER responses. OWNER comments will be incorporated into the 90% documents as appropriate.

Task 4 – Prepare 90% Drawings and Specifications: Work under this task includes:

1. Prepare 90% Design Drawings and Specifications: ENGINEER will continue to prepare drawings and specifications for the project, building on the 50% documents.
2. Quality Control (QC) project review meetings with the OWNER and ENGINEER review team are scheduled for one (1) time during preparation of the 90% drawings and specifications.
3. ENGINEER will perform an in-house QC review of the design drawings near the 90% completion stage to ensure the documents are consistent in presentation of the design information. QC review comments will be incorporated into the design.
4. Two (2) sets of the 90% drawings and specifications will be submitted to the

OWNER for review and comment. ENGINEER will respond to the comments in a response memo and will meet with the OWNER to review the comments and ENGINEER responses. OWNER comments will be incorporated into the 100% documents as appropriate.

Task 5 – Prepare 100% Drawings and Specifications: Work under this task includes:

1. Prepare 100% Design Drawings and Specifications: ENGINEER will build on the 90% documents to complete the 100% drawings and specifications.
2. ENGINEER will perform an in-house QC review of the design drawings near the 100% completion stage to ensure the documents are consistent in presentation of the design information. QC review comments will be incorporated into the final design.
3. Two (2) sets of the 100% drawings and specifications will be submitted to the OWNER for approval. Any final comments will be incorporated into the 100% documents as appropriate.
4. ENGINEER will submit complete advertisement ready original contract documents to the OWNER suitable for reproduction and distribution to prospective bidders.
5. ENGINEER will provide an electronic copy of the 100% design drawings in AutoCAD Civil3D 2013 to the OWNER for OWNER's use on other non-project related work PROVIDED THAT, ENGINEER shall have the right to remove all indicia of its ownership and/or involvement with all electronic records provided to the OWNER under this agreement. OWNER also acknowledges that they shall assume all responsibility for their use of the ENGINEER's material upon other projects.

Task 6 – Prepare Permits: One combined SEPA checklist will be prepared by ENGINEER for sewer projects #1 and 2 and provided to the OWNER for distribution for regulatory agency and public review and comment. A vicinity map will be provided by ENGINEER for attachment to the SEPA checklist and the draft drawings will be utilized as additional attachments.

A separate SEPA checklist will be prepared by ENGINEER for project #8 and provided to the OWNER for distribution for regulatory agency and public review and comment. It is anticipated that a vicinity map will be provided by ENGINEER for attachment to the SEPA checklist and the draft drawings will be used for additional attachments.

A WSDOT permit will be required to be obtained for the water line project along West Side Highway between Fisher Lane and Cowlitz Way. ENGINEER will prepare the application and figures and provide the OWNER to submit to WSDOT for processing.

A Shorelines Permit will be required to be obtained for the water line project along West Side Highway between Fisher Lane and Cowlitz Way. ENGINEER will prepare the application and figures and provide the OWNER for processing.

US Army Corps of Engineers approval through CDID No. 1 will be required to be obtained for the water line project along West Side Highway between Fisher Lane and Cowlitz Way. ENGINEER will prepare the application and figures and provide the OWNER for processing.

The City Limits of Kelso/Longview is at Fishers Lane. It will be necessary to work with the City of Longview to obtain a right of way permit to construct the new water line at this location.

Task 7 – Project Administration: Work under this task includes general project administration and monthly narrative progress reports during design.

BID AD AND AWARD PHASE ENGINEERING SERVICES

Task 8 – Bid ad & Award: Work under this task includes Bidding Phase Engineering Services for the sewer project (project #1, 2 and 8) only as follows:

- a. Assist in advertising for and obtaining bids for construction.
- b. Receive contract questions from Contractor's and prepare appropriate answers.
- c. Issue addenda as appropriate to interpret, clarify, amend, or expand the Bidding Documents.
- d. Attend the bid openings, prepare bid tabulation sheets and assist the City in evaluating bids or proposals and assist in assembling and awarding contracts for construction.
- e. ENGINEER will make arrangements to provide the contract documents, drawings and specifications for bidding to the City. Bidding and Award Phase Deliverables include the following:
 1. Two (2) hardcopy sets and one .pdf electronic set of bidding documents for construction of the sewer and water projects for the City's use.
 2. Addenda that have been issued.
 3. Bid Tabulation sheets.
 4. Letter recommending award as appropriate.
 5. Award documents including signed contracts and certificates of insurance from the Contractor.

CONSTRUCTION MANAGEMENT PHASE ENGINEERING SERVICES

Task 9 – Construction Phase Engineering Services:

Construction phase engineering services will be for start up of the sewer pump stations and for sewer projects #1, 2, and 8. Upon receipt of written authorization to proceed with services during the construction phase, ENGINEER shall:

- a) Consult with and advise the CLIENT and act as the CLIENT's representative as required by the Construction Contract Documents. As the CLIENT's representative, all of the instructions to Contractor(s) will be issued through ENGINEER who will have authority to act on behalf of the CLIENT to the extent provided in the Contract Documents. ENGINEER shall prepare monthly narrative progress reports and submit them to the CLIENT.
- b. CLIENT shall contract directly with a licensed or certified subconsultant for soils compaction testing and shall coordinate with subconsultant to provide soils compaction as appropriate. ENGINEER has NOT included these services as part of this scope of work or budget.
- c. Visits to Site and Observation of Construction. In connection with observations of the work of the Contractor(s) while it is in progress:
 - 1) ENGINEER shall make visits to the site at intervals appropriate to the various stages of construction as ENGINEER deems necessary in order to observe as an experienced and qualified design professional the progress and quality of the various aspects of Contractor(s)' work. In addition, ENGINEER shall provide the services of a Resident Project Representative (and assistants as agreed) at the site to assist the ENGINEER and to provide more continuous observation of such work. Based on information obtained during such visits and on such observations, ENGINEER shall endeavor to determine in general if such work is proceeding in accordance with the Contract Documents and ENGINEER shall keep the CLIENT informed of the progress of the work.
 - 2) The Resident Project Representative (RPR) (and any assistants) will be ENGINEER's agent or employee and under ENGINEER's supervision. The RPR shall provide written daily reports to ENGINEER'S project manager utilizing ENGINEER's standard report forms. Copies of all daily RPR reports will be provided to CLIENT for their permanent project file.
 - 3) The purpose of ENGINEER's visits to and representation by the RPR (and assistants, if any) at the site will be to enable ENGINEER to better carry out the duties and responsibilities assigned to and undertaken by ENGINEER during the Construction Phase, and, in addition, by exercise of ENGINEER's efforts as an experienced and qualified design professional, to provide for the CLIENT a greater degree of confidence

that the completed work of Contractor(s) will conform generally to the Contract Documents and that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by Contractor(s). On the other hand, ENGINEER shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor(s), for safety precautions and programs incident to the work of the Contractor(s) or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes, or orders applicable to Contractor(s) furnishing and performing their work. Accordingly, ENGINEER can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' failure to furnish and perform their work in accordance with the Contract Documents.

- d. Defective Work. During such visits and on the basis of such observations, ENGINEER may disapprove of or reject Contractor(s)' work while it is in progress if ENGINEER believes that such work will not produce a completed Project that conforms generally to the Contract Documents or that it will prejudice the integrity of the design concept of the Project as reflected in the Contract Documents.
- e. Interpretations and Clarifications. ENGINEER shall issue necessary interpretations and clarifications of the Contract Documents and in connection therewith prepare work directive changes and change orders as required.
- f. Shop Drawings. ENGINEER shall review and take appropriate action in respect of Shop Drawings, samples and other data, which Contractor(s) are required to submit for compliance with the Contract Documents. Such reviews and approvals or other action shall not extend to means, methods, techniques, sequences or procedures of construction or to safety precautions and programs incident thereto.
- g. Inspections and Tests. ENGINEER shall have authority, as the CLIENT'S representative, to require special inspections or testing of the work, and shall receive and review all certificates of inspections, testings and approvals required by laws, regulations, ordinances, codes, orders or the Contract Documents but only to determine generally that their content complies with the requirements of, and the results certified indicate compliance with, the Contract documents.
- h. Disputes between CLIENT and Contractor. ENGINEER shall act as initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the work thereunder and make decisions on all claims of the CLIENT and Contractor(s) relating to the acceptability of the work or the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of the work. ENGINEER shall not be liable for the result of any such interpretations or decisions rendered in good faith and made in conformance with the Standard of Practice identified in Exhibit D Paragraph B.
- i. Applications for Payment. Based on ENGINEER's on-site observations as an

experienced and qualified design professional, on information provided by the Resident Project Representative and on review of applications for payment and the accompanying data and schedules:

- 1) ENGINEER shall determine the amounts owing to the Contractor(s) and recommend in writing payments to Contractor(s) in such amounts. Such recommendations of payment will constitute a representation to CLIENT, based on such observations and review, that the work has progressed to the point indicated, and that, to the best of ENGINEER's knowledge, information and belief, the quality of such work is generally in accordance with the Contract Documents (subject to an evaluation of such work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents and to any other qualifications stated in the recommendation). In the case of unit price work, ENGINEER's recommendations of payment will include final determinations of quantities and classifications of such work subject to any subsequent adjustments allowed by the Contract Documents.
 - 2) By recommending any payment ENGINEER will not thereby be deemed to have represented that exhaustive, continuous or detailed reviews or examinations have been made by ENGINEER to check the quality or quantity of Contractor(s)' work as it is furnished and performed beyond the responsibilities specifically assigned to ENGINEER in this Agreement and the Contract Documents. ENGINEER's review of Contractor(s) work for the purposes of recommending payments will not impose on ENGINEER responsibility to supervise, direct or control such work or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto or Contractor(s) compliance with laws, rules, regulations, ordinances, codes, or orders applicable to their furnishing and performing the work. It will also not impose responsibility on ENGINEER to make any examination to ascertain how or for what purposes any Contractor has used the moneys paid on account of the Contract Price, or to determine that title to any of the work, materials or equipment has passed to CLIENT free and clear of any lien, claims, security interests or encumbrances, or that there may not be other matters at issue between CLIENT and Contractor that might affect the amount that should be paid.
- j. Contractor's Completion Documents. ENGINEER shall receive and review maintenance and operation instructions, schedules, guarantees, bonds and certificates of inspection, tests and approvals which are to be assembled by Contractor(s) in accordance with the Contract Documents (but such review will only be to determine that their content complies with the requirements of, and in the case of certificates, tests and approvals the results certified indicate compliance with, the Contract Documents); and shall transmit them to CLIENT with written comments.

- k. Inspections. ENGINEER shall conduct an inspection to determine if the work is substantially complete and a final inspection to determine if the completed work is acceptable so that the ENGINEER may recommend, in writing, final payment to Contractor(s) and may give written notice to CLIENT and the Contractor(s) that the work is acceptable (subject to any conditions therein expressed), but any such recommendation and notice will be subject to the limitations expressed in paragraph "i-2" above.
- l. Limitations of Responsibility. ENGINEER shall not be responsible for the acts or omissions of any Contractor, or of any subcontractor or supplier, or any of the Contractor(s)' or subcontractor's or supplier's agents or employees or any other persons (except ENGINEER's own employees and agents) at the site or otherwise furnishing or performing any of the Contractor(s)' work; however, nothing contained in paragraphs "a" through "k" above, shall be construed to release ENGINEER from liability for failure to properly perform duties and responsibilities assumed by ENGINEER in the Contract Documents.

Task 9 – Additional Services During Construction

Additional Services during Construction, which are included in this contract, are as follows:

The CLIENT wishes the ENGINEER to perform the following Additional Services:

- a. Prepare a set of reproducible record prints of Drawings showing those changes made during the construction process, based on the marked-up prints, drawings and other data furnished by Contractor(s) to ENGINEER and which ENGINEER considers significant.

City of Kelso
Sewer Improvement Projects
Design, Bid Ad and Construction Phase Engineering Services
2013 Sewer Projects

EXHIBIT B - BUDGET

Schedule and Budget	Principal	Engineer V	Engineer I	CAD	Inspector III	Land Surveyor	2 Man Survey Crew	2 Man Survey w/ GPS	Word Processor	Electrical Subcon.	Mileage	Total Budget
Meetings and Project Management												
General project Admin & Progress Reports	2	2										\$630
Project Meetings and Site Visits	2	4	6	4		2					30	\$2,009
Design Phase Engineering Services												
Gather and review background information/data		2	4			8	10	20			10	\$6,630
Prepare summary letter report	1	12	22							\$1,000.00	20	\$4,604
Prepare 50% Drawings and Specifications	2	24	38	10					4		20	\$7,879
Prepare 90% Drawings and Specifications	1	24	38	66					4			\$12,837
Prepare 100% Drawings and Specifications	1	22	28	70					4			\$12,111
Permits		2	6	4								\$1,130
Bid Advertisement & Award												
Assist w/ Advertising for Bids & Posting on BXIA website		4	6									\$1,026
Answer Contractor Questions during Bidding	2	12	6									\$2,448
Issue Addenda	2	12	8	4								\$2,982
Attend bid opening, prepare bid tab, prepare award documents		4	2									\$694
Construction Phase Engineering Services												
Construction Observation by the RPR					180						300	\$18,530
Preconstruction and Progress meetings		10	22		12						20	\$4,381
Issue Interpretations and Clarifications	1	14	22									\$3,857
Prepare Change Orders	1	6	4									\$1,307
Shop Drawing/Submittal Review		6	10									\$1,622
Process applications for Payment		4	8									\$1,192
Special Testing												\$0
Evaluate claims made by Contractor	1	2	2									\$613
Disapproval or rejection of Contractors work		2	2									\$430
Review Completion Documents		2	4									\$596
Final Inspections		2	2									\$430
Project Closeout		2	2									\$430
Record Drawings		2	4	8	6							\$1,944
Telephone												\$50
Reproduction												\$150
Miscellaneous Project Expenses												\$215
Total Estimated Cost												\$90,727
10% Management Reserve												\$9,073
TOTAL ENGINEERING BUDGET												\$99,800

** There is a 10% management reserve for this project. The City Engineer will be notified prior to using the Management Reserve, if needed.

EXHIBIT B - BUDGET

City of Kelso
Water Improvement Projects
Design, Bid Ad and Construction Phase Engineering Services
2013 Water Projects

Page 2 of 2

Schedule and Budget	Principal	Engineer V	Engineer I	CAD	Inspector II	Inspector III	Land Surveyor	2 Man Survey	2 Man w/ GPS	Word Processor	Electrical Subcon.	Mileage	Total Budget
Meetings and Project Management													
General project Admin & Progress Reports	1	8											\$1,239
Project Meetings and Site Visits	2	8	8									12	\$2,093
Design Phase Engineering Services													
Gather and review background information/data		4	4				10	4	15			50	\$5,348
Prepare 50% Drawings and Specifications		12	20	50						4		10	\$8,110
Prepare 90% Drawings and Specifications	2	12	24	40							4		\$7,882
Prepare 100% Drawings and Specifications	2	10	12	12						2			\$3,916
Permits	4	40	24	10									\$8,924
Bid Advertisement & Award													
Assist w/ Advertising for Bids & Posting on BXIA website		4	4										\$860
Answer Contractor Questions during Bidding		8	6										\$1,554
Issue Addenda		8	6	2									\$1,738
Attend bid opening, prepare bid tab, prepare award documents		8	6										\$1,554
Construction Phase Engineering Services													
Construction Observation by the RPR					120							100	\$10,257
Preconstruction and Progress meetings		8	16		20							10	\$4,090
Issue Interpretations and Clarifications		20	24										\$4,632
Prepare Change Orders		6	6										\$1,290
Shop Drawing/Submittal Review		10	8										\$1,984
Process applications for Payment		6	8										\$1,456
Special Testing													\$0
Evaluate claims made by Contractor		4	2										\$694
Disapproval or rejection of Contractors work		2	2										\$430
Review Completion Documents		2	2										\$430
Final Inspections		2	4										\$596
Project Closeout		4	4										\$860
Record Drawings		4	4	8	6								\$2,106
Telephone													\$50
Reproduction													\$150
Miscellaneous Project Expenses													\$213
Total Estimated Cost													\$72,455
10% Management Reserve													\$7,245
TOTAL ENGINEERING BUDGET													\$79,700

** There is a 10% management reserve for this project. The City Engineer will be notified prior to using the Management Reserve, if needed.

EXHIBIT C

GIBBS & OLSON, INC. STANDARD FEE SCHEDULE February 2013

	<u>RATE</u>
PRINCIPAL	\$ 183.00
PROJECT MANAGER	\$ 175.00
SENIOR ENGINEER	\$ 171.00
ENGINEER VI	\$ 153.00
ENGINEER V	\$ 132.00
ENGINEER IV	\$ 125.00
ENGINEER III	\$ 105.00
ENGINEER II	\$ 90.00
ENGINEER I	\$ 83.00
SR LIC LAND SURVEYOR	\$ 150.00
LAND SURVEYOR	\$ 116.00
1 MAN SURVEY CREW with GPS	\$ 110.00
2 MAN SURVEY CREW	\$ 150.00
2 MAN SURVEY CREW with GPS	\$ 180.00
3 MAN SURVEY CREW	\$ 180.00
3 MAN SURVEY CREW with GPS	\$ 210.00
INSPECTOR III	\$ 102.00
INSPECTOR II	\$ 85.00
INSPECTOR I	\$ 63.00
SENIOR TECHNICIAN III	\$ 102.00
SENIOR TECHNICIAN II	\$ 85.00
SENIOR TECHNICIAN I	\$ 63.00
TECHNICIAN I	\$ 48.00
CADD SPECIALIST	\$ 92.00
WORD PROCESSOR	\$ 65.00
MILEAGE	\$0.565/MILE
JOB EXPENSES	COST+ 10%
SUBCONSULTANTS (Soils, electrical, structural, laboratory, etc.)	INVOICE + 10%

Rates subject to change January 1, 2014

EXHIBIT D

CONDITIONS OF EMPLOYMENT

A. RELATIONSHIP

For purposes of this contract, the Client shall be the City of Kelso, Kelso, WA and the Engineer shall be Gibbs & Olson, Inc., Longview, Washington.

B. STANDARD OF PRACTICE

Services performed by the Engineer under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality and under similar conditions at the time the services are performed. No other representation, expressed or implied, and no warranty or guarantee is included or intended in this Agreement, or in any report, opinion, document or otherwise.

C. MAINTENANCE OF PROFESSIONAL STANDARDS AND ETHICS

The Client recognizes that the Engineer's services in all cases must be rendered in accordance with prevailing professional standards and ethics, as well as certain laws or regulations that apply specifically to the Engineer. If a situation emerges that causes the Engineer to believe compliance with the Client's wishes could result in the Engineer violating an applicable provision or aspect of professional standards or ethics, laws or regulations, the Engineer shall so advise the Client, and the Client and the Engineer shall immediately enter into discussions to arrive at a mutually satisfactory solution. Failing achievement of a solution, either party may terminate this Agreement in accordance with termination provisions stated herein.

D. ASSIGNMENT

The Engineer shall not assign this Agreement in whole or in part nor subcontract any portion of the work to be performed hereunder, except that the Engineer may use the services of persons and entities not in his or her employ, when it is appropriate and customary to do so. Such persons and entities include, but are not necessarily limited to, specialized consultants, and testing laboratories. The Engineer's use of others for additional services shall not be unreasonably restricted by the Client provided the Engineer notifies the Client in advance.

E. INSURANCE

The Engineer maintains: 1) worker's compensation and employer's liability insurance of a form and in an amount as required by state law; 2) comprehensive general liability and automotive liability insurance; and 3) professional liability insurance to cover negligent errors or omissions for which the Engineer becomes legally obligated to pay. Certificates of Insurance shall be provided to the Client upon request.

F. INDEMNIFICATION

The Engineer agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Client, its officers, directors and employees (collectively, Client) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the Engineer's negligent performance of professional services under this Agreement and that of its subconsultants or anyone for whom the Engineer is legally liable.

The Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Engineer, its officers, directors, employees and subconsultants (collectively, Engineer) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the Client's negligent acts in connection with the Project and the acts of its contractors, subcontractors or consultants or anyone for whom the Client is legally liable.

Neither the Client nor the engineer shall be obligated to indemnify the other party in any manner whatsoever for the other party's own negligence.

G. BILLING AND PAYMENT

1. BUDGET FOR SERVICES

The budget estimate included in this proposal is only for those services identified within the attached scope of work. The budget and proposed scope of work are based on information currently available to the Engineer. If conditions change, unforeseen circumstances are encountered, or work efforts are redirected, the budget estimate may require modification. Similarly, if the work efforts are completed quicker than the time estimated or direct expenses are less than estimated, the Engineer will bill the Client only for the time or expense encountered.

Monthly billings will be submitted on a time and materials basis but will not exceed the estimated budget without the Client's prior authorization. For projects that extend beyond the calendar year in which the contract was signed, the billing rates will be adjusted in January of each year.

2. REIMBURSABLE EXPENSES

Expenses incurred in connection with project tasks such as out-of-town subsistence, long distance telephone, reproduction costs and similar, will be invoiced at direct cost plus Ten (10%) percent. Mileage for company vehicles will be invoiced at Fifty (50¢) cents per mile.

3. SERVICES BY OTHERS

If this project requires the specialized services of consultants and other technical companies, then such services will be utilized only with the Client's written approval, with the cost of such services included at the invoice cost plus Ten (10%) percent.

4. INVOICES

The Engineer will submit invoices to Client on a monthly basis and a final bill upon completion of services. Payment is due upon receipt of the invoice unless otherwise agreed, and is past due Thirty (30) days from invoice date. Client agrees that the invoice balance is correct unless we are notified in writing within Fourteen (14) days of date of invoice. A service charge of 12% per annum (1% per month) will be added on all unpaid balances over Sixty (60) days old. If payment becomes delinquent, no further services will be performed until the account is brought current or until satisfactory written payment arrangements have been made. In the event of a disputed or contested billing, only that portion so contested will be withheld from payment, and the undisputed portion will be paid. The Client will exercise reasonableness in contesting any bill or portion thereof. No interest will accrue on any contested portion of the billing until it is mutually resolved.

H. CHANGES IN THE AGREEMENT

If during the course of performance of this Agreement, the Client requests additional services to be performed, or if conditions or circumstances are discovered which were not contemplated by the Engineer at the commencement of this Agreement, then the Engineer shall notify the Client in writing of the additional services to be performed or the newly discovered conditions or circumstances. The Client and Engineer shall renegotiate in good faith, the budget, schedule and other applicable conditions of this Agreement. Unless otherwise agreed to, the Client and Engineer shall have Thirty (30) days after the notice to reach agreement on the amended terms and conditions.

I. RIGHT OF ENTRY

The Client shall provide for right of entry to the project site. Such right of entry shall be for the Engineer and others, and necessary equipment in order for the Engineer to fulfill the scope of services indicated in this Agreement. While the Engineer will take all reasonable precautions to minimize damage to the property, the Client understands that in the normal course of work some damage may occur, the correction of which is not part of this Agreement.

J. CONSTRUCTION COST ESTIMATES

If indicated within the Scope of Work for this project, the Engineer shall submit to the Client an opinion of the probable cost required to construct work recommended, designed, or specified by the Engineer. The Engineer is not a construction cost estimator or construction contractor, nor should the Engineer's rendering an opinion of probable construction costs be considered equivalent to the nature and extent of service a construction cost estimator or construction contractor would provide. The Engineer's opinion will be based solely upon his or her own experience with construction. This requires the Engineer to make a number of assumptions as to actual conditions that will be encountered on site; the specific decisions of other design professionals engaged; the means and methods of construction the contractor will employ; the cost and extent of labor, equipment and materials the contractor will employ; contractor's techniques in determining prices and market conditions at the time, and other factors over which the Engineer has no control. Given the assumptions which must be made, the Engineer cannot guarantee the accuracy of his or her opinion of cost, and, in recognition of that fact, the Client waives any claim against the Engineer relative to the accuracy of the Engineer's opinion of probable construction cost.

K. DOCUMENTS

All reports, field data, field notes, test data, calculations, plans, specifications, estimates, computer files, and other documents prepared by the Engineer are instruments of service and shall remain the property of the Engineer. The Engineer agrees not to release any project documents to third parties without prior Client authorization unless the Engineer is required to do so by any applicable law, regulation, ordinance, or court order. The Engineer will retain all pertinent documents for a period of at least three years from the date of final invoice, during which time the records will be made available to Client at all reasonable times. Client shall assume all responsibility for use of the Engineer's instruments of service on other projects and for the completion of the Engineer's services on this project by others. The Client agrees that all work furnished to the Client, but which is not paid for per the terms of this Agreement, shall be returned upon demand and will not be used by the Client for any purpose whatsoever.

L. DISPUTES

In the event of a dispute arising under this Agreement and if the dispute cannot be settled through direct discussions, the parties agree to first attempt to settle the dispute by non-binding mediation before recourse to a judicial forum. If the dispute is settled by litigation, the substantially prevailing party shall be awarded its reasonable costs incurred, including staff time at current billing rates, court costs, expert witness fees, attorney's fees upon trial, or appeal, collection or lien fees, late payment charges and interest, and other claim related expenses. Venue for any litigation shall be the Superior Court of the County in which the project is located.

M. TERMINATION

The Client may terminate this Agreement by giving the Engineer Thirty (30) days written notice. The Client or the Engineer may terminate this Agreement for reasons identified elsewhere in the Agreement or for other reasons which may arise.

Either party may terminate this Agreement if either party fails substantially to perform through no fault of the other and does not commence correction of such nonperformance within Five (5) workdays of written notice and diligently complete the correction thereafter. If corrective action is not taken within Five (5) workdays, termination will become effective Fourteen (14) calendar days after receipt of the termination notice.

Irrespective of which party shall effect termination or the cause therefore, or if the Client suspends work on the project for more than three (3) months, the Client shall within Thirty (30) calendar days of termination or suspension remunerate the Engineer for services rendered and costs incurred, in accordance with the Engineer's prevailing fee schedule and expense reimbursement policy. Services shall include those rendered up to the time of termination or suspension, as well as those associated with termination or suspension itself, such as demobilizing, modifying schedules, reassigning personnel, and so on. Costs shall include those incurred up to the time of termination or suspension, as well as those associated with termination or suspension and post-termination or suspension activities.

N. GOVERNING LAW

Unless otherwise provided in an addendum, the laws of the state in which the project takes place will govern the validity of this Agreement, its interpretation and performance, and remedies for contract breach or any other claims related to the Agreement.

O. SEVERABILITY

The Client and the Engineer have entered into this Agreement of their own free will, to communicate to one another mutual understandings and responsibilities. Any element of this Agreement later held to violate a law or regulation shall be deemed void, and all remaining provisions shall continue in force. However, the Client and the Engineer will in good faith attempt to replace an invalid or unenforceable provision with one that is valid and enforceable, and which comes as close as possible to expressing or achieving the intent of the original provision.

P. INTEGRATION

This Agreement, including attachments incorporated herein by reference, comprises a final and complete repository of understandings between the Client and the Engineer. It supersedes all prior or contemporaneous communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement. Each party has advised the other to read this document thoroughly before accepting it to help assure it accurately conveys meanings and intents. Acceptance of this Agreement as provided for signifies that each party has read the document thoroughly and has had any questions or concerns completely explained by independent counsel and is satisfied. The Client and the Engineer agree that modifications to this Agreement shall not be binding unless made in writing and signed by an authorized representative of each party.

AGREEMENT DOCUMENTS

- Letter Contract signed by Client and Engineer
- Exhibit A – Scope of Services
- Exhibit B – Budget
- Exhibit C – Standard Rate Schedule
- Exhibit D – Conditions of Employment

Q. LIMITATION OF LIABILITY:

Client agrees to require Engineer be named as an additional insured for all insurance policies carried by contractors, subcontractors and suppliers on which Client has been or will be named as an additional insured. Regardless of the presence or absence of coverage, Engineer shall not be liable for loss or damage occasioned by delays beyond Engineer's control, or for loss of earnings, loss of use or other incidental or consequential damages suffered by Client or others, however caused. Engineer's liability hereunder, whether in tort or in contract, for any cause of action shall be limited as follows: (a) for insured liabilities arising out of Engineer's negligence, to the lesser of 1) the amount of insurance then available to fund any settlement, award or verdict or 2) to one hundred percent (100%) of Engineer's fee; (b) for uninsured liabilities, to one hundred percent (100%) of the fee earned by Engineer under this Agreement.

AGENDA SUMMARY SHEET

Business of the City of Kelso

City of Kelso, Washington

SUBJECT TITLE:

Motion to approve Addendum No. 1 to the Professional Services Agreement between the City of Kelso and the Airport Board for financial administrative services and authorize the City Manager to enter into the agreement and take such actions as may be necessary to implement the Agreement.

Agenda Item: _____

Dept. of Origin: City Attorney

For Agenda of: April 16, 2013

Cost of Item: _____

City Manager: Stephen Taylor _____

PRESENTED BY: Janean Parker, City Attorney

AGENDA ITEM ATTACHMENTS:

Proposed Addendum No. 1 to Professional Services Agreement
Copy of original agreement

SUMMARY STATEMENT:

The City and Airport been working together to transition the financial operations of the Airport. During discussions, it appears that there are certain charges that the City has historically paid on behalf of the Airport and that it may be more economical to have the City continue to do so. For those items, the City seeks reimbursement for these costs that pays on behalf of the Airport. The proposed Addendum authorizes the City to be reimbursed for these charges.

FINANCIAL SUMMARY:

The changes require the City to itemize these charges for the Airport and to provide estimates for budgeting purposes.

OPTIONS:

RECOMMENDED ACTION:

Move to approve the Addendum No. 1 to the Administrative Services Agreement between the City of Kelso and the Airport Board for financial administrative services and authorize the City Manager to enter into the agreement and take such actions as may be necessary to implement the Agreement.

ADMINISTRATIVE SERVICES AGREEMENT

This Agreement ("Agreement") is dated effective this _____ day of _____, 20____. The parties ("Parties") to this Agreement are the Southwest Washington Regional Airport Board, a joint operating board pursuant to RCW 14.08.200 ("Board"), and the City of Kelso, a municipal corporation of the State of Washington ("City").

WHEREAS, the Board was formed pursuant to RCW 14.08.200 for the joint operation, repair, improvement, and regulation of the Southwest Washington Regional Airport ("Airport") located within Kelso, Washington; and

WHEREAS, the Board is required by state law and by separate interlocal agreement to keep full and accurate financial records and accounts as required by law, and to prepare and submit annual financial reports and maintain accurate accounting and administrative records; and

WHEREAS, the Board is authorized to employ or contract for such employees as the Board may deem necessary; and

WHEREAS, the Board is authorized to establish a claims procedure for debts and obligations, to acquire and improve property, to execute contracts and agreements, to collect rents, fees, and charges, and to maintain adequate insurance; and

WHEREAS, the City has maintained such financial, and payroll records for the Airport in the past and has the requisite skill and experience to perform such financial and payroll services as required by the Board;

WHEREAS, pursuant to separate interlocal agreement, the Kelso Treasurer is designated as the treasurer of the Board and the City maintains ownership of the property and remains the sponsor for purposes FAA grant funded activities

WHEREAS, the Parties wish for the City to continue to provide these services and to be compensated for providing these services.

NOW, THEREFORE, the Parties agree to the following terms and conditions:

1. CITY RESPONSIBILITIES.

The City agrees to provide the following services to the Board:

- a. Monthly processing and preparation of Airport bills for payment, upon the timely receipt of properly completed and authorized orders of payment from the Airport;
- b. Monthly processing and preparation of Airport payroll and benefit payments, upon timely receipt of properly completed and authorized time sheets and personnel action forms from the Airport;
- c. Maintenance of appropriate accounting records and computer files to the level currently provided by the City;

- d. Preparation of prescribed periodic accounting reports and annual reports;
- e. Investment of excess Airport funds and crediting investment income to the Airport fund in accordance with state law.
- f. The City shall establish a separate City fund within the City budget for purposes of maintaining the Airport budget
- g. Upon authorization from the Kelso City Council and the Board, the City shall, as needed from time to time, authorize interfund short term loan transfers to the Airport fund for the purpose of grant reimbursable expenses.
- g.h. The City may be reimbursed from the Airport fund for its actual costs expended on behalf of the Airport for Airport related charges. By way of example, such charges include proportional insurance premiums for Airport personal property insured under the City's policy. The charges do not include costs incidental to the performance of the administrative services provided by the City. The City shall submit an itemization of such charges to the Airport prior to seeking reimbursement. Additionally, the City shall prepare and submit to the Airport an estimate of such reimbursable charges prior to each budget cycle for Airport consideration in its budget.

2. BOARD RESPONSIBILITIES.

The Board agrees to the following conditions:

- a. The Board agrees to meet and abide by all deadlines established by the City for the efficient and timely processing required of the City under this Agreement and that such paperwork shall be accurate upon its submission.
- b. The Board agrees to adopt such internal financial and personnel policies and procedures as are consistent with the City's existing financial and personnel practices to facilitate efficiency of processing, including the City's biennial budget process.
- c. The Board agrees to indemnify and hold harmless the City from any actions taken against the Airport caused by erroneous or incomplete data submitted to the City for processing.
- e.d. The Board shall reimburse the City for the City's actual costs expended on behalf of the Airport for Airport related charges as set forth in paragraph 1(h).

3. TERM.

The Term of this Agreement shall commence on January 1, 2013 and shall continue until December 31, 2013. The term shall automatically be extended for additional one (1) year periods unless terminated by either Party in accordance with paragraph 4.

4. TERMINATION.

This Agreement may be terminated at the conclusion of any Term, with or without cause by either Party, by giving one hundred and eighty (180) days written notice to the other Party.

5. COMPENSATION.

In consideration of the City performing the Services, the Board agrees to pay a flat annual rate of \$30,000 based upon estimated hours and expenses, payable in bi-annual installments on July 1st and November 1st of each year.

6. REPRESENTATIONS.

The City represents and warrants that it possesses the necessary skills and trained personnel to provide the services set forth in this Agreement and warrants that it will perform these services in a timely and professional manner.

7. INDEMNIFICATION.

Each Party shall defend, indemnify and hold the other Party harmless from its own acts and/or omissions and those of its officers, employees, and agents.

8. GENERAL PROVISIONS.

8.1. Entire Agreement This Agreement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Agreement and no prior agreements shall be effective for any purpose

8.2 Modification. No provisions of this Agreement may be amended or modified except by written agreement signed by the Parties.

8.3 Full Force and Effect. Any provision of this Agreement which is declared invalid or illegal shall in no way affect or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

8.4 Assignment. Neither the City nor the Board shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of the other party.

8.5 Successors in Interest. Subject to the foregoing Subsection, the rights and obligations of the Parties shall inure to the benefit of and be binding upon their respective successors in interest, heirs and assigns.

8.6 Attorney Fees. In the event either party brings a lawsuit to enforce the terms of this Agreement, or arising from a breach of this Agreement, the prevailing party shall be entitled to its costs and attorneys' fees for bringing or defending against the action.

8.7 No Waiver. Failure or delay of either Party to declare any breach or default immediately upon occurrence shall not waive such breach or default nor act as a waiver of the Party's right to declare another breach or default.

8.8 Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington.

8.9 Venue. The venue for any dispute related to this Agreement or for any action to enforce any term of this Agreement shall be Cowlitz County, Washington.

8.10 Authority. Each individual executing this Agreement on behalf of the Board and the City represents and warrants that such individuals are duly authorized to execute and deliver this Agreement on behalf of the City or the Board.

8.11 Notices. Any notices required to be given by the Parties shall be delivered at the addresses set forth below. Any notices may be delivered personally or may be deposited in the United States mail, postage prepaid, to the address set forth below. Any notice so posted in the United States mail shall be deemed received three (3) days after the date of mailing.

8.12 Counterparts. This Agreement may be executed in any number of counter-parts, which counterparts shall collectively constitute the entire Agreement.

Executed on the dates written below.

City of _____	Southwest Washington Regional Airport Board
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	By: _____
Address: _____ _____	Printed Name: _____
Date: _____	By: _____
	Printed Name: _____
Approved as to form: _____ City Attorney	By: _____
	Printed Name: _____
	By: _____
	Printed Name: _____
	Address: _____ _____
	Date: _____

	<div>Approved as to form:</div> <div><div></div>General Legal Counsel for Board</div>
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AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Resolution to amend the current Six-Year
Transportation Improvement Program
(2013-2018)

Agenda Item: _____

Dept. of Origin: Community Dev/Engineering

For Agenda of: April 16, 2013

PRESENTED BY:

Michael Kardas, P.E.
Community Development Director/City Engineer

Cost of Item: _____

City Manager: Steve Taylor

AGENDA ITEM ATTACHMENTS:

Resolution and Exhibit A

SUMMARY STATEMENT:

The West Main Re-alignment Project received additional funding in the amount of \$1,140,000 from the regional allocation of the federal Quick Response Safety Grant. The request must now go before the governing board of the Cowlitz-Wahkiakum Council of Governments for approval. In order for the request to be considered the funding information for the West Main Project must be up to date in the current Six Year Transportation Program. The resolution allows for the adoption of that project revision.

The financial allocation for West Main Project has been updated to reflect additional funding.

RECOMMENDED ACTION:

Staff recommends adoption of the Resolution to amend the Six-Year Transportation Improvement Program (2013-2018).

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF KELSO, COWLITZ
COUNTY, WASHINGTON, ADOPTING AN AMENDMENT TO
THE SIX-YEAR TRANSPORTATION IMPROVEMENT PROGRAM
FOR CONSTRUCTION OF STREET IMPROVEMENTS.**

WHEREAS, on the 16th day of April, 2013, in the Council Chambers at City Hall in Kelso, Washington, a public hearing was held after due and legal notice, for the purpose of discussing an amendment the City's current Six Year Transportation Improvement Program from 2013 to 2018; now, therefore,

THE CITY COUNCIL OF THE CITY OF KELSO DO RESOLVE AS
FOLLOWS:

The following named streets and the project improvements of the same, a detailed list of which is hereby attached, marked "Exhibit A," and by this reference incorporated herein in full, be and the same is hereby adopted as the ensuing Six Year Transportation Improvement Program from 2013 to 2018 for improvement of arterial streets.

ADOPTED by the City Council and **SIGNED** by the Mayor this _____ day of
_____, 2013.

MAYOR

ATTEST/AUTHENTICATION:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY



Washington State
Department of Transportation

Six Year Transportation Improvement Program From 2013 to 2018

Agency: Kelso
County: Cowlitz
MPO/RTPO: CWCG

Y Inside

N Outside

Functional Class	Priority Number	A. PIN/Project No. C. Project Title D. Road Name or Number E. Begin & End Termini F. Project Description	B. STIP ID G. Structure ID	Hearing	Adopted	Amendment	Resolution No.	Improvement Type	Utility Codes	Total Length	Environmental Type	RW Required
14	2	/ 6736(003) West Main Street Realignment SR 4 (Cowlitz Way) to SR 411 (SW 1st Avenue) This project will realign Main St to make a better connection to SR 4. The project will include four travel lanes, a center median with turn pockets, bicycle lanes, curb and gutter, and sidewalks with ADA ramps on both sides of the roadway. The traffic signals at 1st and 3rd will be modified and updated. The storm water drainage system will be updated as needed. Prior \$5,635,751. (Federal STP, High Priority funds and Other)	WA-03267	11/16/10	11/16/10		10-1032	44	C O S	0.290	CE	Yes

Funding										Total Funds	
Status	Phase	Phase Start Year (YYYY)	Federal Fund Code	Federal Funds	State Fund Code	State Funds	Local Funds	Total Funds			
S	RW	2013	STP(U)	1,500,000	TIB	900,000	0	2,400,000			
S	RW	2013	STP(U)	1,000,000		0	0	1,000,000			
S	CN	2013	HSIP(SR)	1,140,000		0	0	1,140,000			
S	CN	2013		0	TIB	3,600,000	0	3,600,000			
Totals				3,640,000		4,500,000	0	8,140,000			

Expenditure Schedule					
Phase	1st	2nd	3rd	4th	5th & 6th
RW	2,800,000	0	0	0	0
CN	1,800,000	0	0	0	0
Totals	4,600,000	0	0	0	0

Grand Totals for Kelso				Federal Funds	State Funds	Local Funds	Total Funds
				3,640,000	4,500,000	0	8,140,000